



# FINANCIAL TIMES

No. 27,523

Saturday April 1 1978

\*\*15p



CONTINENTAL SELLING PRICES: AUSTRIA Sch.15; BELGIUM Fr.25; DENMARK Kr.3.5; FRANCE Fr.3.0; GERMANY DM2.0; ITALY L.500; NETHERLANDS Fl.1.0; NORWAY Kr.3.5; PORTUGAL Esc.20; SPAIN Ptas.40; SWEDEN Kr.3.25; SWITZERLAND Fr.2.0; EIRE 15p

## GENERAL

### Red Rum not to run

Red Rum will not run in the Grand National because of the hind foot injury which has kept the horse in the headlines this week.

As trainer Ginger McCain announced Red Rum's retirement last night, there was confusion about the horse's future.

Mr. Noel Le Mare, Red Rum's owner, said he had offered the horse to 31-year-old Mrs. Sandra Miles who looked after Red Rum as a stable girl before he bought the horse in 1973.

But last night trainer Ginger McCain said: "It's a bad of rubbish." His wife added that Red Rum was a limited company and the Board would have to take such a decision.

However, Mrs. Miles confirmed that Red Rum had been offered to her and she would be delighted to look after him.

Dominic Wigan, Page 18

### Barre back as French Premier

M. Raymond Barre, 53, was last night appointed Prime Minister of the new French Government after the Centre-Right coalition's comfortable General Election victory last month. Earlier, President Giscard had accepted M. Barre's outgoing team's resignation. Back Page

### Carter moves on to Nigeria

President Carter, continuing his overseas tour, flew from Brazil to Nigeria for talks on Rhodesia and Namibia (South-West Africa) and on Cuban involvement in the Horn of Africa. His meetings with Gen. Olusegun Obasanjo, Nigeria's military ruler, are also expected to cover oil prices. It is the first State visit by a U.S. President to black Africa. Page 2

### Botswana sends children back

More than 400 of the 432 black schoolchildren abducted by Mr. Joshua Nkomo's Patriotic Front guerrillas have returned to Rhodesia, saying they wished to stay out of a black nationalist guerrilla army. From Gaborone, the Botswana Government announced that a British tourist and two South African managers of a game farm had been shot dead while attempting to escape after being arrested. Page 2

### Sunny outlook

Dry and fairly sunny weather is expected this month, but there will be one or two rainy spells according to the Meteorological Office's 30-day forecast. To-day's weather. Back Page

### Briefly...

Nordic Commander, a British tanker with a damaged boiler was refused permission to leave the French port of Donges for fear of an oil spillage. Amoco Cadiz clear of oil. Page 2

The Evening Standard, London, is to go up from 8p to 10p on Monday. Fleet Street's troubles. Back Page

Dr. Charles Best, renowned for his work on the discovery of insulin when he was 22, has died in Toronto. He was 79.

Harold Gimblett, 63, former Somerset and England cricketer, was found dead in bed at his Dorset home. Police found a note. Two members of the London Stock Exchange have been suspended. Page 4

Britain is to provide up to £1m. to help India rehabilitate victims of last November's cyclone disaster.

Co-Co pop group will represent Britain in the Eurovision song contest in Paris.

### CHIEF PRICE CHANGES YESTERDAY

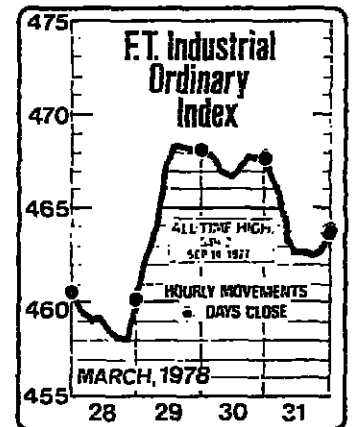
(Prices in pence unless otherwise indicated)

RISES	FALLS
Treas. 91pc 1983 .....	114 + 6
Burton A .....	115 + 4
Comet Radiovision .....	104 + 8
Elys (Wimbledon) .....	31 + 4
Lucas Inds. ....	380 + 5
Morgan Edwards .....	373 + 34
Olympia (Redacre) .....	33 + 9
Spirax-Sarco .....	276 + 8
Thomson Org. ....	218 + 10
LASMO "One" .....	324 + 8
London Sumatra .....	143 + 13
Blantyre .....	500 + 70
Anglo Amer. Corp. ....	311 + 16
Anglo Amer. Gold .....	1171 + 1
Anglo United Dev. ....	86 + 8
Ind. Inds. ....	163 + 10
Northern Mining .....	36 + 6
Pancontinental .....	925 + 73
Peko-Wallend .....	440vc + 19

## BUSINESS

### Equities and gilts both show loss

● EQUITY leaders saw a late technical rally. FT 30-Share



Index, showing a loss of 5.1 at 3 p.m., closed at 463.8, down 3.9.

● GILTS at the short end closed with falls of 1/16th. Falls at the long end of about 1/2 were reduced to 1/4. Government Securities Index fell 0.16 to 73.59, a loss of 1.38 over the shortened week.

● STERLING was weak early in the day and touched a low point of \$1.8325, where the Bank of England intervened to prevent further decline. It closed at \$1.8630, a rise of 15 points on the day. Its trade-weighted index was 61.8 (62.2). Dollar's trade-weighted depreciation was 6.49.

● GOLD rose \$4 to \$183.

● WALL STREET closed at 737.36, down 2.26.

● BANK of England gave permission for British investors to deal in options on British shares on the new European options exchange without having to pay investment premium. Page 4

● NEW JERSEY Zinc withdrew from Ireland's plan to build a £100m. zinc smelter. Back Page

● NORTH SEA taxes should be reconsidered by the Government, Lord Kesteven, chairman of the State-owned British National Oil Corporation, said. They were extraordinarily attractive. Page 3

● NEARLY 300 employees of Lewis Offshore, the oil fabrication base at Arncliffe Point, Stornoway, were given redundancy notices because of a lack of orders. Page 3

● SHARE prices on the Tokyo stock exchange jumped to a post-war high for the fourth consecutive day. Page 2

### New power for IMF chief

● NEW regime for the international monetary system takes effect formally to-day with adoption of the second amendment to the articles of agreement of the International Monetary Fund. The second amendment greatly increases the power of the managing director of the IMF to supervise national exchange rate policies. Back Page

● AGREEMENT was reached between Petronas, the Malaysian oil company, Royal Dutch Shell and Mitsubishi to build a \$1bn. plant to supply liquid natural gas to Japan. Back Page

● THOMSON Organisation record profits were £19.5m. (£15.1m.). Page 16; Lex

● NORTHERN FOODS estimated pre-profit for the six months to March 31 were £10.75m. (£7.04m.). Page 16; Lex

● BERNARD MATTHEWS record taxable profits for the year to January 1 were £2.84m. (£2.48m.). Page 16

## U.S. trade deficit of \$4.52bn. sets new record

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, March 31.

The Carter Administration's hopes that the U.S. trade deficit would contract gradually this year received a severe jolt to-day when it was announced that the February shortfall had reached a record \$4.52bn.

This exceeds by \$800m. the previous record monthly deficit, set in October last year. It is nearly double the January deficit.

For the first two months of this year, the U.S. trade account has been in the red by \$6.59bn., far above the \$4.29bn. of the same period last year, which set the U.S. on its path to achieving a \$26.5bn. deficit for the year.

Administration officials this morning were struggling for an explanation for the February figures — much as the British counterparts looked for adequate explanations of the turnaround in the U.K. position in January.

What happened in the U.S. in February was that imports soared, rising by 16.5 per cent. compared with the previous month, to a record high of \$14.44bn.

Exports, meanwhile, fell by 1 per cent. to \$9.92bn.

Imports were not the decisive factor: on an adjusted basis, the U.S. bought nearly \$3.6bn. worth of foreign oil, \$300m. more than in January.

This may partly reflect increased industrial and domestic demand for oil during the coal miners' strike.

Imports of steel, transportation equipment, heavy duty machinery and many manufac-

ture goods, rose by as much, and in some cases more, than oil.

On the export side, virtually nothing, with the exception of a \$190m. increase in the sale of food and live animals, went up.

Vice-President Mondale issued a White House statement saying that the U.S. was "seriously concerned" about the rise in the deficit.

"It underlines once again the importance, on the part of the United States and the other governments, of dealing with the fundamental factors that cause large trade imbalances."

The statement also said that the deficit pointed to the need to produce an Energy Bill which could control oil imports. President Carter would be giving this top priority on his return from his foreign trip next week.

Analysis at the Commerce Department freely admitted that there was no adequate explanation for the February worsening, particularly since it was counter-cyclical.

Bad weather and the coal strike have meant that the U.S. economy has been growing much less rapidly in the first quarter, while its major trading partners

step up its shipments of its "le car" model for sale through AMC and Renault dealer networks in North America.

The names of several foreign manufacturers, including France's Peugeot, have been linked with AMC since the U.S. company disclosed that it was considering "affiliation" with an overseas producer as a step towards strengthening its financial position.

Details of the memorandum of agreement will not be revealed until tomorrow, but the two companies said today that they will be aiming to combine their sales and distribution efforts in the U.S. and Canada.

That they will discuss "the development of future product plans regarding Renault and AMC passenger cars to be sold in the U.S. and Canada."

That they will consider "the eventual manufacture of one or more Renault cars in AMC's assembly plants."

That AMC's jeep vehicles will be sold through Renault dealers "in selected international markets" and that Renault will

place other loans for that amount repayable within the next year. It is believed that Barclays has also agreed to a partial "roll-up" of interest charges on these new loans.

As well as these additional longer-term bank loans, Barclays and the Prudential have agreed to abandon their rights to 14 per cent. interest on the £26m. of Convertible Unsecured Loan stock they hold.

The shares in Town and City proposes to exchange its stock for a new issue of Convertible Cumulative Preference Shares that will carry no dividend rights until after September 30, 1981 and a net dividend of just 7 per cent. thereafter.

The new stock will be convertible into ordinary shares on the basis of 500 shares for every £100 nominal of the stock.

The institutions have agreed to convert their £26m. holdings, but it is unlikely that many other holders of the existing £43.3m. issue of loan stock, which offers

a 14 per cent. return from June this year, will follow suit. If only the Barclays and Prudential stock is converted, Town and City's total equity could eventually be diluted by 17 per cent.

Full conversion of the stock would give Barclays 18 per cent. of the group's shares and would top up Prudential's holding to 12 per cent.

Barclays and the Prudential yesterday denied that Bank of England pressure had been needed to push the deal through. Barclays consider it "a purely commercial package... we are not a philanthropic institution... the rearrangement puts us and Town and City in a better position."

R. Artus, of the Prudential, commented yesterday that the re-financing, which dwarfs even British Land's £50m. refunding last September, should give more time for Town and City's debt-gearing programme.

Lex, Back Page

Council for the securities Industry .....

Appointments .....

For latest Share Index "phone 01-248 5006"

## Heavy pressure on £ eased by Bank

By Peter Riddell, Economics Correspondent

STERLING faced heavy selling pressure again yesterday — before undisputed Bank of England intervention stabilised the rate.

This action was interpreted by the foreign exchange market as a clear signal from the Bank that the recent sharp decline in sterling had gone far enough for the time being.

The move was intended to remove any doubts about the authorities' intentions.

The pound closed 15 points up on the day at \$1.8630. The trade-weighted index fell 0.4 to 61.8.

Sterling fell more than three-quarters of a cent in the morning to a low of \$1.8325, but recovered after the official support and touched a day's high of \$1.8680.

This was partly in response to the weakness of the dollar after the publication of the very large U.S. trade deficit for February.

The dollar fell more sharply against the stronger European currencies and closed at DM2.0065 against the D-mark compared with DM2.0257 previously, and at Sw.Frs.1.83 against Sw.Frs.1.8810.

The dollar fell more sharply against the stronger European currencies and closed at DM2.0065 against the D-mark compared with DM2.0257 previously, and at Sw.Frs.1.83 against Sw.Frs.1.8810.

It was noticeable that sterling not only remained relatively weak against the main Continental currencies throughout the day, but also faded from its peak against the dollar in New York.

Last night's level for the trade-weighted index represents a decline of 31 per cent. in the last ten days and of just more than 7 per cent. since the peak at the end of January. The index is down to the level of last July.

The authorities are fairly unconcerned about the sharp decline, which seems to be partly a reaction to the strengthening of the dollar against the European currencies in the last fortnight as well as a switching of speculative positions.

There is a clear desire by the authorities in London to avoid any impression that the decline has been officially encouraged on the lines of the tactical mismanagement of Continued on Back Page

## Grays losses expected to total £7m.

BY DAVID CHURCHILL

THE BIGGEST-EVER building society collapse was disclosed yesterday when at least £7m. was reported missing from the Grays Building Society in Essex.

A rescue operation is being mounted by the five largest building societies, which will share the losses to ensure that no depositors lose money.

According to the last annual accounts, Grays had assets of about £11m., but it was made clear last night that the society's liabilities greatly exceed its assets.

Essex police yesterday started their investigation into the substantial losses which came to light after the death two weeks ago of Mr. Harold Jaggard, the society's chairman.

Mr. Ian Hay Davison, a leading chartered accountant, has also started work investigating all aspects of the society's losses.

He was appointed Inspector by the Chief Registrar of Friendly Societies. His powers and duties are comparable to those of an Inspector under the Companies Acts.

The Grays collapse is likely to lead to pressure for changes in the legislation covering building societies. This could include demands for on-the-spot audits by the Chief Registrar.

All societies are required by law to provide accounts and other information annually to the Chief Registrar. Monthly statistics are also provided.

The size of the reported losses in Grays' accounts has come as a surprise to the building society movement and is the main reason for the delay in announcing a decision on the society's future.

Two years ago the Wakefield Building Society disclosed losses from its accounts of £800,000. But, as it still remained solvent in spite of these losses, a speedy merger was arranged with the Halifax Building Society. Because of Grays' insolvency no single society was prepared to take over responsibility.

Irregularities in Grays' accounts and operations had apparently been going on for some 30 years, according to the preliminary findings of a team of investigators from the Woolwich Equitable Building Society who have been assessing the position at Grays.

It appears loans might have been paid to fictitious people and the interest payable on these loans falsely entered in the accounts.

Mr. Denzil Davies, Treasury Minister, said last night in a letter to Dr. Oonaugh McDonald, Labour M.P. for Thurrock, that the Chief Registrar had been "looking into various points

about the society for some months and his staff were able to intervene in a matter of hours after it became clear that the death of the chairman of the society might be associated with irregularities in its management."

Inquiries Mr. Jaggard, who was 79 and the society's secretary as well as chairman, was found dead at his Braxton Road, Essex, home on March 17. Bottles of pills and a note were reportedly found near his body. The inquest on his death has still to be resumed.

The society's offices in Essex have remained closed all this week and no date has been given for their re-opening. The Building Societies' Association said yesterday: "Inquiries into the irregularities of the society are still incomplete and the directors have been advised that their offices should remain closed for the time being."

Preliminary investigation had shown that the "irregularities involved could amount to at least £7m." the association said.

The Grays' auditors are given in the accounts as Messrs. Appleby, English and Partners, who are based in Manchester but have offices in London and Leigh-on-Sea in Essex. The auditors were not available for comment last night.

Documents The rescue operation by the major building societies will probably be carried out under Section 43 of the Building Societies Act 1962 for the first time. This gives societies the power, with the approval of the Chief Registrar, to make funds available to other societies.

The inquiry by Mr. Davison, however, will be under Section 110 of the Act. This gives the Inspector the power to examine all books, accounts and other documents of the society and to examine on oath its officers and members.

Mr. Davison was one of the Department of Trade inspectors investigating the companies of Mr. John Stonehouse.

People with mortgages from the Grays Building Society have been advised to continue making payments in the normal way. It is likely that once the rescue operation is over, the society's affairs will be taken over by another society.

£ in New York

	March 31	Previous
Spot	\$1.8630-1.8640	\$1.8500-1.8510
1 month	0.08 1/2-0.09 1/2	0.08 1/2-0.09 1/2
3 months	0.08 1/2-0.09 1/2	0.08 1/2-0.09 1/2
12 months	0.08 1/2-0.09 1/2	0.08 1/2-0.09 1/2

## SCHOOL FEES AHEAD?

If you are concerned at the rising cost of school fees and would like to make provision for your child's education, you should consider the Save & Prosper School Fees Capital Plan.

This Plan, which is particularly attractive to higher-rate and/or additional-rate taxpayers, enables you to reduce the cost of either immediate or future school fees by means of a lump-sum contribution. Furthermore, fees can be planned either on a level yearly basis or as an amount increasing each year at a pre-determined rate.

The minimum lump-sum contribution per Plan is £1,000.

NEW IMPROVED RATES

Examples: Sum required to secure school fee payments for five years, starting at £1,000 for the first year and increasing annually thereafter by 7% p.a. compound.

No. of complete years before schooling begins	Total fees secured	Capital outlay	Amount saved
---	--------------------	----------------	--------------

1	£5,751	£4,785	£966
---	--------	--------	------

5	£3,493	£2,258	£1,235
---	--------	--------	--------

7	£2,962	£2,789	£1,173
---	--------	--------	--------

10	£2,286	£3,465	£1,179
----	--------	--------	--------

13	£1,745	£4,006	£2,261
----	--------	--------	--------

For further details of the Plan, please consult your professional adviser or complete and return the coupon below.

To: Save & Prosper Group, 4 Great St. Helens, London EC3P 3EP. Telephone: 01-554 8899. Please send details of your School Fees Capital Plan.

Name \_\_\_\_\_ Address \_\_\_\_\_ Tel: \_\_\_\_\_ Not applicable to Eire residents. 414/ET/71

SAVE & PROSPER GROUP



## OVERSEAS NEWS

## Unemployment in Japan rises to 1.36m.

BY DOUGLAS RAMSEY

TOKYO, March 31.

JAPANESE PRICES are rising at less than 5 per cent annually but the deflationary impact of a month's February, largely due to the impact of reduced yen unemployment to near an all-time high.

The Statistics Bureau of the Prime Minister's Office announced today that the nation-wide consumer price index (CPI) in February was up 4.2 per cent, and the Tokyo CPI was up 4.6 per cent.

At the close of business, the market average stood at 5,447.75 points—up 36.48 points on the day before, Reuter reports from Tokyo.

Share prices on the Tokyo stock exchange jumped to a post-war high yesterday for the fourth consecutive day. At the close of business, the market average stood at 5,447.75 points—up 36.48 points on the day before, Reuter reports from Tokyo.

Officially, the yen's rapid appreciation since early 1977 for the twin predicament. The Japanese currency has risen 31.7 per cent against the U.S. dollar since the start of 1977 and 8.3 per cent since the start of 1978, making cheaper (in yen) the goods Japan imports.

## Japanese fishermen banned from NZ waters

BY OUR FOREIGN STAFF

JAPANESE FISHING boats will be banned by New Zealand when its 200-mile offshore zone comes into effect to-day. The ban follows the refusal of Japan to relax restrictions on imports of New Zealand meat and dairy products.

Mr. Rod Müller, New Zealand's Ambassador to Tokyo, confirmed yesterday that his Government intended to go ahead with the threat to ban Japanese boats until negotiations on a new trade agreement, increasing import quotas for New Zealand agricultural products had been successfully concluded.

He said that New Zealand would reserve the right to diversify its meat and dairy product exports to Japan and

other countries following its gradual exclusion from the U.S. market, since Britain's decision to join the Common Market. But so far it has been difficult to break down the import barriers protecting domestic Japanese interests.

Over 200 Japanese fishing vessels—mainly squid boats—regularly fish off the New Zealand coast and the ban is expected to have serious consequences for the Japanese fishing industry.

It follows the introduction of 200-mile zones by countries throughout the world which has led to a general restriction in fishing areas available.

Nevertheless, the Japanese Government has ordered fishing vessels to leave the New Zealand zone from to-day. Their Foreign Ministry officials claim that the question of fishing limits should not be linked with trade, and maintain that all possible concessions on New Zealand's demands have already been made.

Day Hayward writes from Wellington: Negotiations ended in Wellington on Thursday enabling the Soviet Union to sign a fisheries agreement giving it access to New Zealand's 200-mile economic zone.

## WANKIE COLLIERY COMPANY LIMITED

(Incorporated in Rhodesia)

DIVIDEND No. 107

The directors today declared an interim dividend No. 107 in respect of the year ended 31st August, 1978, of 3 cents per share, payable to shareholders registered in the books of the Company at the close of business on 14th April, 1978. Dividend warrants will be posted on or about 11th May, 1978. The transfer registers in Rhodesia, the United Kingdom and South Africa will be closed from 15th to 21st April, 1978 inclusive.

Rhodesian non-resident shareholders' tax at the rate of 20 per cent will be deducted from the dividend where applicable. Estimated results for the half year ended 28th February, 1978, and the results for the year ended 31st August, 1977 are as follows—

	Half year ended 28th February, 1978	Year ended 31st August, 1977
SALES		
Coal (tonnes)	1 029 205	2 197 175
Coke (tonnes)	78 524	183 749
UNAUDITED FINANCIAL RESULTS		
Trading profit, after charging debenture interest and trustees' fees	\$2 373 000	\$3 191 000
Interest and dividends receivable	124 000	270 000
Profit before taxation	2 497 000	3 461 000
Deferred taxation	775 000	818 000
Profit after taxation	\$1 722 000	\$2 643 000
Interim dividend	\$ 760 000 (2 1/2 cents per share)	\$ 633 000 (2 1/2 cents per share)

This dividend is declared in the currency of Rhodesia. Payments from South Africa will be made in the South African equivalent of the Rhodesian value at the rate of exchange ruling at the close of business on 2nd May, 1978. In terms of exchange control regulations, payments of dividends due to members who are resident in the United Kingdom, Zambia and Tanzania, must be paid into blocked accounts in the shareholders' name with a registered commercial bank in Rhodesia. The Rhodesian exchange control regulations permit the investment of funds held on blocked accounts in interest bearing savings and fixed deposit accounts with the commercial banks. Special application may also be made to Rhodesian exchange control through an authorised dealer for permission to use blocked funds for other types of investment in Rhodesia. United Kingdom residents require a Bank of England permission to invest their blocked funds in Rhodesia.

Arrangements are being made for members normally paid from the United Kingdom and who are not resident in the United Kingdom, Zambia or Tanzania to be paid their dividend from Rhodesia.

By order of the Board  
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED  
Secretaries  
per J. R. Parker

Office of the United Kingdom Transfer Secretaries:  
Charter Consolidated Limited,  
P.O. Box 102,  
Chatter House,  
Park Street,  
Ashford,  
Kent, TN24 8EQ.

Registered Office:  
70 Jameson Avenue Central,  
P.O. Box 118,  
Salisbury, G18,  
Rhodesia.  
London Office:  
40, Holborn Viaduct,  
WC1P 1AT.

31st March, 1978

## Abducted pupils return to Rhodesia

By Tony Hawkins

SALISBURY, March 31.

MORE THAN 400 of the 432 black schoolchildren abducted into Botswana on Wednesday by guerrillas loyal to Mr. Joshua Nkomo have returned to Rhodesia.

The schoolchildren aged from 13 to 20 and about half boys and half girls, said they had been badly treated by the eight guerrillas who carried out the gunpoint abduction, trying to raise troops for the Nkomo guerrilla army.

The Botswana authorities decided to allow all children and teachers who wished, to return to Rhodesia and all but about 30 black children and two of the 12 teachers were back inside Rhodesia this afternoon.

The Tswana Mission abduction has been condemned by Mr. Nkomo's political rivals in the transitional Government—Bishop Muzorewa, the Rev. Silehlo and Chief Chirau, while the Rhodesian Minister of Foreign Affairs, Mr. Pieter Van Der Byl, praised the Botswana humanitarian action in returning almost all the abducted schoolchildren to their parents, saying this could only ease tension in southern Africa.

The Rev. Silehlo claimed that Mr. Nkomo was now "doomed to failure" saying that the Lusaka-based guerrilla leader could not hope to build an effective army this way. Internal nationalist sources expressed delight at the fact that very few of the children were willing to join the Zipra army.

From the propaganda viewpoint the incident has turned out very badly for the Nkomo wing of the Patriotic Front and surprisingly well for the transitional Government in Salisbury.

## Botswana row over shootings

By Quentin Peel

JOHANNESBURG, March 31.

AS MOST of the black schoolchildren allegedly abducted from their Rhodesian school by nationalist guerrillas were transported back from Botswana, the country faced a new diplomatic incident over the shooting of two South Africans and a British youth in another sensitive border area.

Senior South African officials were reported today to have contacted the Botswana Government, and the British High Commissioner in Gaborone to have asked for a report, over the incident in which the two South Africans, both game rangers, and the youth, 19-year-old Nick Love, were shot by members of the Botswana Defence Force in the Tlokweng area, close to the border of Rhodesia and South Africa.

In a statement issued today, the Botswana Government said the three had been shot when attempting to escape, after they had been detained for questioning by the BDF investigating reports that Rhodesian soldiers had crossed the nearby border.

The incident, which received wide coverage in the South African Press, under headlines such as "border outrage," is the latest of several threatening bilateral relations between the two countries.

The Otagen issue is tightly linked with the question of Somalia's future political alignment. At the time of its withdrawal from the Otagen, Somalia took a notably moderate line towards the Soviet Union, possibly with a view to obtaining Soviet support for political concessions by Ethiopia.

The less restrained tone of recent Somali statements and the escalated guerrilla activity in the Otagen suggest that Somalia may have been seeking to exploit the Soviet response. At the same time, a six-day visit to Mogadishu by Mr. Richard Moose, the U.S. Assistant Secretary of State for Africa, ended without a decision on U.S. arms supplies.

The U.S. State Department indicated that President Carter's visit to Somalia last month that Somalia promise not to "dishonour the international boundaries of either Ethiopia or Kenya" proved to be "a terribly sensitive issue" in the talks with President Siad Barre.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

His talks with Lt.-Gen. Olusegun Obasanjo, the Nigerian Head of State, and with Foreign Ministers of the southern African "front line" states, who will also be in Lagos, are likely to have an important bearing on Anglo-American attempts to bring all parties to the Rhodesia dispute—external and internal—together for settlement discussions.

The delicate state of Western Africa.

IN BRIEF

## Amoco Cadiz oil spill clean-up estimated at £15m.

AS THE wreck of the Amoco Cadiz yesterday lay empty of its entire cargo of 220,000 tonnes of oil, unofficial estimates put the cost of France's clean-up campaign at more than £15m, write David White from Paris.

A second day of helicopter-borne operations to depth-charge sections of the super tanker which still held oil was believed to have succeeded, thereby bringing the slow seepage from these sections to an end.

The French Government has appealed for volunteers to help in the long process of cleaning Brittany's stricken shore line, and has launched a three-year programme to monitor the degree of pollution in the region.

The oil-spillage affects about 125 miles of coast. An alert in the Channel region further north has been called off. Authorities there said they believed there was no longer any risk that the area would be hit.

Meanwhile in Dieppe, an investigation has been ordered into reports that a Soviet tanker emptied its tanks in the Channel area between Calais and Boulogne on Wednesday.

## Italian economic growth slowed in 1977

BY PAUL BETTS

THE Italian economy suffered a marked slow down last year, but the country's Gross National Product increased by barely 1.7 per cent, compared to an increase of 5.7 per cent in 1976. This is the essence of the government's annual review of the economy, submitted today to the Italian parliament.

Commenting on the report, the Budget Minister, Sig. Tommaso Morino, said that the principal aim of the authorities was to bring back into equilibrium the country's balance of payments position which effectively showed a surplus of L.2,178bn. (around £1,400m.) last year compared to a deficit of about L.1,000bn. (£692.5m.) in 1976.

This surplus, however, represents one of the few positive aspects of Italy's economic performance last year.

Industrial production rose by only 1.1 per cent, compared to the 9.8 per cent increase of the previous year, and agricultural production effectively declined by 1.7 per cent.

While the inflation rate started falling towards the end of the year, on an annual basis it showed an 18.3 per cent increase. Although Italy's trade deficit was reduced from L.2,365bn. in 1976 to L.1,857bn. last year, this

was partly the result of a 5.8 per cent rise in real terms of exports. But it was also affected by a fall of 1 per cent in imports compared to the 11.9 per cent increase of 1976 which reflects the downturn in industrial production.

Gross investments fell by 7.9 per cent, while consumption increased in real terms by 2.2 per cent. There was also a 7.2 per cent rise in the unemployment rate which particularly hit the depressed south of the country.

Of the 1.5m. people officially unemployed last year, the south, or Mezzogiorno, alone accounted for about 700,000 people. This represents a 10.5 per cent unemployment rate as against 6 per cent in 1976.

Italy's political forces, but principally the Christian Democrat party, have roundly rejected any possible deal with the Red Brigades terrorists who claim to be holding Sig. Aldo Moro, a former Christian Democrat Prime Minister.

A tentative suggestion of a possible deal with the terrorists—perhaps in exchange for the release of Red Brigades members in prison or currently facing trial in Turin—was contained in a somewhat rambling letter purporting to have been written by Sig. Moro.

The authorities share the conviction of the Christian Democrat leadership that Sig. Moro's letter was written either under duress or as a result of the application of modern drugs.

To-day, Il Popolo, the Christian Democrat party newspaper, said that the party would in no way give in to the terrorists' "blackmail."

Political parties are to hold a debate in parliament next week to review the law and order situation. It is likely that during the debate detailed opinions will be forthcoming on a number of emergency anti-terrorist measures which the minority said Andreotti government introduced

by decree law last week. These measures followed private consultations with the main parties, including the Communist party who are supporting the new administration.

French police have arrested an Italian wanted in his home country as a member of the extremist Red Brigades, informed sources said today.

Antonio Bellavita, 40, is among the men whose names were circulated to police throughout Europe by Italian authorities following the kidnapping in Rome of Sig. Aldo Moro, the sources said.

Andreotti government introduced

Italy's political forces, but principally the Christian Democrat party, have roundly rejected any possible deal with the Red Brigades terrorists who claim to be holding Sig. Aldo Moro, a former Christian Democrat Prime Minister.

A tentative suggestion of a possible deal with the terrorists—perhaps in exchange for the release of Red Brigades members in prison or currently facing trial in Turin—was contained in a somewhat rambling letter purporting to have been written by Sig. Moro.

The authorities share the conviction of the Christian Democrat leadership that Sig. Moro's letter was written either under duress or as a result of the application of modern drugs.

To-day, Il Popolo, the Christian Democrat party newspaper, said that the party would in no way give in to the terrorists' "blackmail."

Political parties are to hold a debate in parliament next week to review the law and order situation. It is likely that during the debate detailed opinions will be forthcoming on a number of emergency anti-terrorist measures which the minority said Andreotti government introduced

by decree law last week. These measures followed private consultations with the main parties, including the Communist party who are supporting the new administration.

French police have arrested an Italian wanted in his home country as a member of the extremist Red Brigades, informed sources said today.

Antonio Bellavita, 40, is among the men whose names were circulated to police throughout Europe by Italian authorities following the kidnapping in Rome of Sig. Aldo Moro, the sources said.

Andreotti government introduced

Italy's political forces, but principally the Christian Democrat party, have roundly rejected any possible deal with the Red Brigades terrorists who claim to be holding Sig. Aldo Moro, a former Christian Democrat Prime Minister.



President Carter, President Geisel and Lt.-Gen. Obasanjo.

## Carter's Brazilian visit soothes recent wounds

BY DIANA SMITH

RIO DE JANEIRO, March 31.

THE COURTEOUS joint communiqué by President Carter and President Geisel, released at the end of Mr. Carter's official visit to Brazil, yields strong points to Brazil.

Allusions to "mutual intimate co-operation" in key areas like trade liberalisation, stabilisation of the prices of raw materials, energy research, farming methods and international peace, show that the U.S. now recognises Brazil as a nation with great potential influence.

Second, in the two areas that most trouble U.S. Brazilian relations—human rights and Brazil's nuclear energy agreement with West Germany—the communiqué, and statements by Mr. Jody Powell, President Carter's Press spokesman, reveal a radical change in attitudes from 1977 which aroused Brazilian wrath.

The joint communiqué tacitly limits itself to quoting Mr. Carter and General Geisel's mutual interest in human rights. Mr. Carter is quoted in the communiqué as respecting the principles of sovereignty, equality and mutual non-interference in internal affairs. He also said, at his Press conference in Brasilia, "I am not here to tell the Brazilians how to run their Government—human rights are an international problem." So it is clear that much rethinking has been done in Washington.

Judging by Mr. Carter's courteous, if cautious, reception, the Brazilians are responding with equal tact.

Mr. Jody Powell put the nuclear problem succinctly: "Brazil's nuclear programme," he said, "is a fait accompli. There is nothing to be changed there is nothing to do but talk about specific points."

In official talks, Mr. Carter expressed a hope that Brazil and West Germany would intensify dangerous element than enriched uranium, and offered U.S. co-operation in this area.

President Geisel assured Mr. Carter that Brazil's nuclear programme was for peaceful aims only. He also stressed that Brazil supports the non-discriminatory international safeguards of the International Atomic Energy Agency. He echoed Mr. Carter by expressing his concern over disarmament and non-proliferation of nuclear weapons.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

His talks with Lt.-Gen. Olusegun Obasanjo, the Nigerian Head of State, and with Foreign Ministers of the southern African "front line" states, who will also be in Lagos, are likely to have an important bearing on Anglo-American attempts to bring all parties to the Rhodesia dispute—external and internal—together for settlement discussions.

The delicate state of Western Africa.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

## U.S. could face more wage pressures

By Stewart Fleming

NEW YORK, March 31.

INDICATIONS that the Carter Administration may be facing renewed inflationary pressures from wage increases have come from Mr. Frank Fitzsimmons, president of the Teamster's Union.

Speaking in New York, Mr. Fitzsimmons, who leads one of the nation's largest unions representing more than 2m. transport workers as well as other workers such as policemen in some states, said in negotiations early next year the union will aim to match the 37 per cent wage and benefit increase won in the coal industry.

Although the Administration was concerned about the size of the three-year coal contract, it refrained from publicly attacking it as inflationary. Subsequently, Administration officials have said that they believe they can keep the inflationary settlement in coal from spreading. But they concede it will make it more difficult to get restraint in other industries.

The first test could come later this year in negotiations with federal employees.

Meanwhile the growing sensitivity of financial markets to the rise in the narrow money supply and the decline in the dollar was underlined this morning by another drop in corporate and treasury bond prices following the announcement of a record February trade deficit.

Prices fell between a quarter and three-eighths of a dollar following the announcement. Bond prices have been declining steadily throughout most of the week and the uneasy mood was reinforced yesterday by the U.S. Treasury's announcement of a record February trade deficit.

Money supply growth has been stable in recent weeks and one week's figures are rightly discounted since the statistics are simply too volatile and the seasonal adjustment too unreliable to be used as a conclusive guide to trends.

Money market analysts are, however, expecting some acceleration in monetary growth in the company's strong growth in the economy in the second quarter. This, in itself, might not lead them to worry about a tightening of credit by the Federal Reserve.

But the new Fed chairman, who has set a firmer control policy by the Fed to counter inflation. Coupled with the weakness of the dollar, this is creating fears of such a move with the Fed using the acceleration of monetary growth as a excuse.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

His talks with Lt.-Gen. Olusegun Obasanjo, the Nigerian Head of State, and with Foreign Ministers of the southern African "front line" states, who will also be in Lagos, are likely to have an important bearing on Anglo-American attempts to bring all parties to the Rhodesia dispute—external and internal—together for settlement discussions.

The delicate state of Western Africa.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

## Talks open on Bonn summit agenda

By Jonathan Carr

BONN, March 31.

REPRESENTATIVES of seven major industrial countries met here today to start preparations for the economic summit conference scheduled for mid-July.

High officials from the U.S., Canada, Japan, West Germany, Britain, France and Italy were discussing an agenda for the gathering, intended to help coordinate policy and promote economic growth.

President Jimmy Carter's personal assistant, Mr. Henry Owen, had already held separate talks with the West German Economics Minister, Count Otto Lönnerberg, and Chancellor Helmut Schmidt, in preparing the summit. Dr. Dieter Hiss, the atmosphere of the discussions was described as good.

High in the minds of the German hosts to the gathering is the need to avoid at all costs what they feel was a key error made at the last summit in London—namely to set specific national targets for economic growth.

The West Germans missed their target last year by a wide margin—and their aim of 3.5 per cent in growth in real terms for 1977 is also endangered. While not ruling out in advance further reflationary measures, Bonn is neither ready to promise them now nor to allow itself to be pinned down to a further target here in July.

## Finnish strike is called off

By Lance Keworth

HELSINKI, March 31.

THE NATIONWIDE warning strike that was due to start on this morning in Finland was averted late last night when employers and unions accepted the arbitration proposal of the Government's incomes policy officials.

This foresees no new nominal wage increase. But the wage increases already due under the current collective bargaining contracts and postponed in February until October this year and February 1979 will be applied earlier.

However, the situation is far from clear yet. The Government's position is still threatened as the five-party popular front coalition Cabinet was not happy about the Communist solution. The Communist members of the Cabinet and of the Central Federation of Finnish Trade Unions expressed reservations.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

His talks with Lt.-Gen. Olusegun Obasanjo, the Nigerian Head of State, and with Foreign Ministers of the southern African "front line" states, who will also be in Lagos, are likely to have an important bearing on Anglo-American attempts to bring all parties to the Rhodesia dispute—external and internal—together for settlement discussions.

The delicate state of Western Africa.

Major talks in Lagos

BY OUR FOREIGN STAFF

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.

THE PROBLEMS of Southern Africa—and Rhodesia in particular—will be high on the agenda during President Carter's two-day stay in Nigeria, this week-end, the first state visit by a U.S. President to black Africa.







## HOME NEWS

## U.K. go-ahead for Europe option deal

BY MARGARET REID

THE BANK of England has now given long-awaited consent for British investors to deal in options on British shares on the new European Options Exchange, which opens in Amsterdam on Tuesday, without having to pay the investment premium.

A letter the Bank sent out yesterday to banks, Stock Exchange concerns, and other bodies entrusted with the custody of securities as authorised depositaries said that such parties, if accepted by the EOE as public order members, could apply to the Bank for permission to make certain payments.

These included payment for dealings in options on sterling securities. "All payments will be in sterling, and under current administrative practice will not involve payments through the investment premium market," says the Bank's letter.

The Bank adds that the banks and other bodies can apply for consent to pay the necessary entrance and other fees to become public order members of the EOE. The cost of buying a seat will be allowed as direct investment, while annual membership fees will be transferable to Holland without any premium to pay the investment premium.

This move has the Bank to give the green light for British par-

## Finance House rate unchanged

THE Finance Houses Association has said that the Finance House Base Rate in April will be 7 per cent, for the third successive month.

The rate is calculated at the end of each month by averaging the cost of three-month money in the inter-bank market for the previous eight weeks and rounding up to the next half point.

The rate reflects changes in the market cost of money, but not the cost of funds to finance houses or their customers.

## Bread rise approved

STATUTORY maximum bread prices have been amended with effect from next Monday to permit increases of up to 2p per large loaf in Britain and 21p in Northern Ireland.

The Department of Prices and Consumer Protection said today that this followed the Price Commission's decision not to investigate bread price increases proposed by the major bakers.

## Coal chiefs disagree on targets

By John Lloyd

A DISPUTE over Government policy on the coal industry in the 1980s has broken out between Lord Lee—who, as Mr. Fred Lee was Minister of Power from 1964 to 1966—and Lord Robens, chairman of the National Coal Board from 1961-1971.

Last December, Lord Robens, writing in the Coal and Energy Quarterly, said that the coal industry and the miners were "grossly misled" by the Government about the level of coal output.

While the Government have repeated assurances that the output target should be 200m. tons a year, "the Department concerned was planning on a much lower figure... at one time, the plan was to reduce the industry to 80m. tons a year."

In an article in the latest issue of the journal, Lord Lee writes: "I always understood that the difference between Lord Robens and myself was that I would not accept his figure of 200m. tons, or, indeed, anybody else's figure, until I had completed my review of long-term energy policy."

In the early stages of the review, the figure of 200m. tons was considered. In the course of preparing it, however, the Coal Board's position worsened, and the October, 1965, Fuel Policy White Paper estimated 1970 coal output at between 170-180m. tons.

"I wondered what real differences there could be between Lord Robens and myself—unless what he really wanted was an undertaking to ban oil burning in various public enterprises and restore a monopoly for coal."

Lord Robens's comments on Government policy have been made in the context of criticisms of the recently-created Energy Commission, which he views as being too closely tied to powerful pressure groups within the energy industry to be able to evolve an objective appraisal of future national needs.

## Thatcher theme is: Leave business to businessmen

BY RICHARD EVANS, LOBBY EDITOR



Mrs. Margaret Thatcher, leader of the Opposition, with Mr. Joseph Godber (centre) and Sir Adrian Cadbury.

MRS. THATCHER, Opposition Leader, yesterday laid down the theme of Conservative Government would adopt towards industry and commerce: "Leave business to the businessmen."

She told the Food and Drink Industries Council's annual lunch in London that it was essential to have less interference in business. Instead, the Government should ensure that competition was the protector of the consumer.

The encouragement businessmen needed was not another industrial policy with some trendy name cooked up by the Government.

"Rather, the right way is to cut the taxes on earnings, savings and capital."

"It is to make it pay to work again, to educate our young people, to understand about enterprise, and to see that profits are the greatest engine of social progress—and to give them full

scope to turn that understanding to advantage.

Thatcher argued that the underlying structure was not going to be corrected unless incentives for people and companies were built into the system from the bottom.

The Conservative Leader attacked the "convoy" theory of international economic expansion advocated by Mr. Callaghan at meetings with President Carter and other world leaders.

More inflation

The intention would be that a number of industrial nations would reflate in various ways to stimulate world trade in general. In Mrs. Thatcher's opinion, such a policy would probably lead to increased inflation in all the nations that took part.

She argued that no ship of State could ever keep up with a convoy unless its operating room, engine room and equipment were in good order.

Britain's first task was to ensure that it became more competitive. To compete in the period ahead, the country would need a fresh and lively approach and a new vital economy. The old one, set in aspic by Labour policies, is going to be of less and less use in helping the people of Britain to sustain their living standards.

The new conditions would demand a much more flexible and rapid response to market demands. Britain would need a host of new businesses, run by talented young people prepared to work night and day in return for big rewards if they succeeded.

## World tourists spend 20% more in 1977

BY PETER RIDDELL

RESIDENTS of London and Stratford-Avon might be forgiven for believing that most of the world's tourists had come to the U.K. But the boom in foreign travel is worldwide. Britain is only one of a number of countries to benefit, although among the most prominent.

Figures compiled by the International Monetary Fund show that international tourist receipts in the dozen leading industrialised countries reached \$40.5bn. last year. This is 20 per cent. higher than in 1976, when receipts rose by 7 per cent.

As the average rate of price inflation in the main industrialised countries was 8 per cent, in 1977, this implies a substantial growth in tourism in real terms. In spite of generally weak economic conditions in most of the countries.

The best guide to the underlying trend is the number of arrivals in each country—and the most striking development has been the revival in Portugal's standing as the nearest and truest of the mid-1970s have waned.

Over the first 11 months of last year, the number of visitors rose by 43 per cent. The impact on the Portuguese economy could be seen in a

doubling in receipts in terms of national currency after a decline of more than a tenth in the previous year.

The U.K. was second, with a rise in visitors of about one-fifth, while there was also an acceleration in arrivals in Spain, Ireland and Switzerland—up between 10 and 15 per cent. There was marked deceleration in the growth of tourism to Greece—up by less than a tenth compared with a jump of a third in 1976. And there was a slight drop in visits to Yugoslavia, against a sharp rise previously.

The pattern of tourism reflects relative exchange rate movements and differences in standard of living to a considerable, though not exact, extent.

The net result of all this is a marked difference in what various countries spend abroad and receive from foreigners. West Germany, for example, had a net deficit of approaching \$8bn. on tourism in the first nine months of last year, while Italy had a net surplus of nearly \$3bn. from this source in the same period.

Among the other countries with a large net gain from tourism were Austria, with a surplus of about \$1.5bn. after nine months, and Spain, a \$2.6bn. surplus.

## Decline of profits growth continues

PRE-TAX PROFITS and dividend costs shown in the 125 annual reports received last month revealed gains of about 16 per cent. over the first quarter of last year.

However, the recent declining trend in profits growth was illustrated by rises of 22.8 per cent, 15.6 per cent, and 12 per cent, respectively for the first three months of the year. Dividend cost increases were 21.6 per cent, 18.6 per cent, and 11 per cent, during the same period.

ICI's profit rise was about 6 per cent, while the group's former associate, IML, reported a 20 per cent. rise in its first report as an independent company.

Profit increases ranging from about a third to two-fifths were recorded by Turner and Newall, Carrington Virella and Granada.

This new office will comprise Mr. R. Ian Morrison, chief executive, Mr. Francis E. O'Rourke, director and chief general manager, and Mr. Bourke, director and chief financial officer.

In addition, a chief executive's office has been established in which the chief executive will be assisted by the chief general manager and the chief financial officer.

The new office will comprise Mr. R. Ian Morrison, chief executive, Mr. Francis E. O'Rourke, director and chief general manager, and Mr. Bourke, director and chief financial officer.

Mr. Lowe was dismissed by Quilter, Hilton, Goodison and them Mr. Michael Lowe, a former employee of Quilter, Hilton, Goodison, of which Mr. Nicholas Goodison, chairman of the Stock Exchange, is a partner.

Mr. Lowe said yesterday that the suspension was for advising a relative to buy shares in a company while believing that another client of the partnership was about to buy shares in the same company. He emphasised that he had "assumed" that the client would be buying, and had not known for certain.

The other member suspended—for two years—is stockbroker Mr. Jack Markham, a member for 23 years. He left Pinchin Denny this year.

More powers for Welsh Office

THE WELSH OFFICE in Cardiff takes over responsibility in Wales for agriculture, higher and further education, and the administration of ancient monuments today.

Mr. John Morris, Welsh Secretary, said yesterday: "The new responsibility represents the most significant single step in the development of the Department since it was established in 1964."

"It will go a long way towards bringing its responsibilities into line with those of the Scottish Office."

## LABOUR NEWS

## Shop stewards at ICI seek 'at least £30'

BY PAULINE CLARK, LABOUR STAFF

SHOP STEWARDS representing 60,000 monthly and weekly paid ICI workers are pressing the company and their unions for an across-the-board wage increase this year of "at least £30."

Negotiators start discussions on a Phase Three pay claim early next month ahead of the central ICI June anniversary settlement date.

If the union side takes up the shop stewards' proposals, the demand will certainly exceed the Government's 10 per cent. guideline.

Details of the proposals—the first venture of its kind to be undertaken by the company's unofficial shop stewards' committee—are being circulated to workers.

Mr. Joseph Blackham, a union branch secretary at ICI in Doncaster, said yesterday that the package had been worked out "to stimulate informed debate" among workers and to encourage individuals to take pressure on a national union officials for a satisfactory outcome to the negotiations.

The shop stewards' claim is based on estimates of the wage increases needed in each grade to restore spending power lost since the onset of pay restraint in 1975.

The basis of the claim includes

a 225-week increase for all ICI employees after consideration of the last two years' pay, bonuses and productivity bonus into based pay.

The stewards also want a week's holiday and a 35-hour working week. They place special emphasis on a demand for more "realistic" shift disturbance allowances which, they say, have remained the same since 1975.

The allowances compensate workers for "unsocial" hours where they work the seven-shift continuous production process. Under the Phase Three settlement last year, ICI workers received the 5 per cent. supplement plus a productivity deal related to volume sales increases on a quarterly basis.

The productivity agreement, which gave a 7.4 per cent. bonus in the first quarter and 6.9 per cent. in the second expires in July.

Ray Penman, Scottish Correspondent, said a settlement giving 20,000 Scottish bank workers rises of 9.12 per cent. has been agreed between the three Scottish clearing banks and the National Union of Bank Employees.

Increases made under the last two years of pay policy are to be consolidated into basic rates.

## Rolls-Royce shuts troubled factory

BY OUR LABOUR EDITOR

ROLLS-ROYCE has closed its Coventry factory until further notice because of sanctions by 2,600 manual workers in dispute over pay. They have been suspended, and 2,000 white-collar workers have been laid off.

The shut-down is expected to have swift repercussions at the sister plant nearby at Ansty, where 1,400 are employed. The closure came as a surprise after protracted pay talks broke down.

A company spokesman said it had offered a 10 per cent. increase to the manual workers but

wanted to keep back 0.3 per cent. to fund the likely cost of guaranteeing earnings to piece workers transferring to measured day work.

The company has promised that if the 0.3 per cent. is not needed for that purpose it will be distributed among the remainder of the workforce. But the manual workers are insisting on the full 10 per cent. being paid immediately.

For most of this year they have handed overtime or refused to do any extra work done by outside contractors.

## Train drivers agree to talks on claim

BY NICK GARNETT, LABOUR STAFF

THE TRAIN drivers' union, ASLEF, yesterday agreed to have its pay dispute examined by the industry's negotiating machinery, in accordance with the recommendation of the advisory panel under Lord McCarthy.

The prospect of avoiding rail disruption still looks bleak, however. If the three rail unions and British Rail maintain their present stance on the drivers' pay claim.

ASLEF and the National Union of Railwaymen are already in disagreement over the timing of the first meeting within the negotiating machinery.

The drivers are still contemplating a series of strikes if they are not satisfied with the outcome of talks on their dispute.

There is also some feeling among NUR members that if those talks further delay agreement on a new annual pay and productivity deal for all railmen, due on April 24, the NUR might wish British Rail to agree a deal with it irrespective of the position adopted by ASLEF.

ASLEF is submitting for all its members a "parallel" claim for payments to those recently awarded by 1,600 pay train guards, members of the NUR.

The pay train guards deal is viewed by ASLEF as a "sectional" agreement, counter to the 1974 wage restructuring exercise for the industry.

The drivers, who have given this problem priority over the annual pay deal, want the issue added to the agenda of the Railway Staff Joint Council meeting on April 4.

The NUR, which is more concerned with the annual pay settlement, wants a preliminary meeting with British Rail and does not envisage the joint committee discussing ASLEF's grievance before the next industry-wide pay talks on April 5.

Mr. Sid Weighell, the NUR general secretary, said yesterday that if ASLEF won a parallel agreement, that for the pay train guards, he would want the payments extended to all the industry's im. workers.

## National Front men warned by NUR

MEMBERS and officials of the National Union of Railwaymen face fines or expulsion from the union if they are known to be members of the National Front.

Any railwayman expelled from the 150,000-strong union could lose his job in an industry where union membership is mandatory.

The decision taken yesterday follows a series of publications, which include direct attacks on rail union leaders and are headed "National Front, railmen's association" with the same postal address as the Front.

The union's decision is believed to be the most sweeping threat of sanctions introduced by any union as "punishment" for belonging to what is a legal organisation.

Mr. Sid Weighell, the rail union's general secretary said yesterday that the union's decision was consistent with the union's policy and members had to be warned. The union had existing rules against "misconduct" and the executive was simply applying them.

## Parliamentary broadcasts row settled

By Our Labour Staff

A DISPUTE that threatened to delay broadcasts from the Commons was settled yesterday. The BBC said that broadcasting would start on Monday as planned.

Members of the Association of Broadcasting Staffs who will be responsible for the sound programmes wanted higher meal allowances. The union said that an amicable agreement had been reached.

Mr. Tony Banks, a union official, said it did not want to be involved in any disruption. "We just hope the quality of Parliamentary debate is worth the public expense," he added.

Radio comes to Westminster, Page 15

## TGWU again accused of poaching

THE UNION which managed to have the Transport and General Workers' Union suspended at last year's TUC Congress, the National Association of Licensed House Managers, is again complaining about the same union.

Last year's charge was over the poaching of members from the Transport and General Workers' Union and the latter has since then been accused of poaching members from the TGWU.

The association claims that more than 100 of its members have been poached by the Transport and General Workers' Union, and that the latter has since then been accused of poaching members from the TGWU.

The association has called for a hearing before a special committee, but says there is complete lack of co-operation by the other union.

## APPOINTMENTS

## L. Pincott joins George Wimpey Board

Mr. Leslie R. Pincott has become a non-executive director of GEORGE WIMPEY AND CO. He joins Wimpey from Esso Petroleum where he has been a managing director since 1970. Mr. Pincott, who was recently appointed a deputy chairman of the Price Commission, is also a director of Remploy.

Mr. Michael D. Sieff has relinquished his membership of the Board of MARKS AND SPENCER and has retired. He joined the company 49 years ago and has been on the Board since 1950. He was a joint managing director from 1971 until he gave up that position at his own request in 1976. In view of his continued membership of the European Trade Committee and the British Overseas Trade Group for Israel, he will continue to advise Marks and Spencer on its exports.

Mr. H. B. Freeman, who joined the company in 1937 and became a director in 1963, has also relinquished his membership of the Board. He remains with the company, a director of the Marks and Spencer Pensions Trust, and active in a number of special areas including the company's charity programme and the Special Programmes Board of the Manpower Services Commission.

The Secretary for Trade has appointed Mr. J. W. James as a member of his panel of insurance advisers. Mr. James is group insurance manager, Courtaulds, and a director of the Association of Insurance and Risk Managers in Industry and Commerce.

Captain W. D. Lang, ADC Royal Navy, has been promoted Rear Admiral from July 7 and will be Deputy to the Head of Defence Sales in succession to Major General A. J. Jackson in May in the acting rank of Rear Admiral.

Mr. R. J. Warburton, at present manager of the Southampton-based general cables division of Pirelli General Cable Works, has been appointed vice-president finance and corporate planning of

the PIRELLI CABLE CORPORATION, U.S., from May 1. He will be succeeded by Mr. E. H. Levy, at present product manager—covered conductors, at Southampton.

Mr. Alan J. Hill has been appointed sales director of VESUVIUS CRUCIBLE COMPANY and Mr. Gordon J. Maclellan has become marketing manager.

Mr. J. D. R. Kerby has been appointed managing director of PITNEY BOWES MARKING SYSTEMS.

Mr. W. J. Chegwidden, head of the Adam Crag Group, has been appointed to the additional post of managing director, PETERBOROUGH MOTORS GROUP. Both concerns merged with the T. C. Harrison Group of Sheffield last October.

The Secretary for Employment has appointed Mr. Raymond S. Sim as a deputy chairman of the CENTRAL ARBITRATION COMMITTEE for three years. Mr. Sim is principal lecturer in law at Manchester Polytechnic.

U.S. READER'S DIGEST has appointed Mr. Michael Randolph, British edition editor, to be deputy executive editor of international editions. Mr. Randolph remains a director of Reader's Digest Association and editor of British Reader's Digest.

Mr. F. R. Wales, chief actuary of CAANON ASSURANCE, has been appointed general manager and chief actuary and elected to the Board.

Mr. Syd Exelby has been appointed to the main Board of DEREK CROUCH (CONTRACTORS). He joined the company in 1964 and in October last year he was made manager (new developments), a new post.

Mr. John Hignett, a managing director of Lazzards, has joined the Board of CARLESS CAPEL AND LEONARD in a non-executive capacity. Mr. Keith Turner has become managing director of Car-

less Petroleum and remains distribution director of Carless Solvents. Mr. George Hills has been made a director of Carless Services RV. Mr. Brian Montgomery has been appointed managing director of Carless Exploration in place of Mr. John Leonard, who continues as chairman. Mr. Bernard Lilly, consultant petroleum engineer to Carless Exploration, joins the Board of that company.

Mr. M. C. S. Morrow has been appointed finance director of HALL AND HALL, a member of the Hallite Holdings Group.

Mr. Garret Wellesley has been appointed director of the international investment management service division of BANK OF AMERICA INTERNATIONAL.

Mr. Brian E. Russell has been appointed managing director of UNIVERSAL-MATTHEY PRODUCTS to succeed Mr. A. E. Richards, who retires in May next year.

The NATIONAL COAL BOARD has appointed Mr. Eric Gaunt as marketing director of its London and Southern Sales Region. He succeeds Mr. W. J. S. McKinnell, who has retired.

Mr. David Martin has been appointed an associate director of KIRKLAND-WHITTAKER.

Mr. R. B. Williamson and Mr. J. Elkington are to become directors of GERRARD AND NATIONAL DISCOUNT COMPANY and Mr. D. A. Brayshaw will be a director of GERRARD INTERNATIONAL from April 5.

As part of a reorganisation of the steel castings operations of Weir Group, the five foundries and two marketing companies of the group's foundries division are to form a new corporate structure.

The companies comprise Alston Foundry, Catton and Co., E. J. Jorling and Sons, Holburne Precision Castings, O. H. Steel Foundries and Engineers, Weir Foundries (Es-

port Sales), and Weir Alloy Products. All will now become direct subsidiaries of Leeds-based company Weir Foundries.

Chairman of Weir Foundries will be Mr. J. J. E. Young, who is also managing director of the Weir Group. Mr. John Ferguson, formerly managing director of the foundries division of Leyland Cars, becomes managing director of Weir Foundries. Mr. Eric Spencer, chief executive of the foundries division as at present constituted, will take up the new appointment of marketing director of Weir Foundries. Mr. S. L. Finch, deputy chairman of the Weir group and chairman of the present foundries division, will be a non-executive director of Weir Foundries. He will devote more time to long-term foundry development and other strategic planning activities in his capacity as group deputy chairman.

The new board will include two other non-executive directors, Dr. G. A. Weir, group director responsible for corporate planning, and Mr. J. R. C. Weir of the Paris office of the Weir Group International.

Mr. Thomas P. Hardman and Mr. F. Derek Martin have been appointed directors of the BANK OF IRELAND to fill vacancies created by the recent retirements of Sir Basil Goulding and Mr. Patrick A. Duggan. The following general managers have become directors: Mr. John P. Bourke, Mr. Patrick F. Gaynor, Mr. Desmond E. Mackay, Mr. J. Ulfan Martin, Mr. John R. Neiland, Mr. Eamon Simons (who will replace Mr. Bourke as managing director of Bank of Ireland Finance), Mr. John H. Stanley and Mr. Kevin Wylie.

In addition, a chief executive's office has been established in which the chief executive will be assisted by the chief general manager and the chief financial officer.

This new office will comprise Mr. R. Ian Morrison, chief executive, Mr. Francis E. O'Rourke, director and chief general manager, and Mr. Bourke, director and chief financial officer.

Mr. Lowe was dismissed by Quilter, Hilton, Goodison and them Mr. Michael Lowe, a former employee of Quilter, Hilton, Goodison, of which Mr. Nicholas Goodison, chairman of the Stock Exchange, is a partner.

Mr. Lowe said yesterday that the suspension was for advising a relative to buy shares in a company while believing that another client of the partnership was about to buy shares in the same company. He emphasised that he had "assumed" that the client would be buying, and had not known for certain.

The other member suspended—for two years—is stockbroker Mr. Jack Markham, a member for 23 years. He left Pinchin Denny this year.

More powers for Welsh Office

THE WELSH OFFICE in Cardiff takes over responsibility in Wales for agriculture, higher and further education, and the administration of ancient monuments today.

Mr. John Morris, Welsh Secretary, said yesterday: "The new responsibility represents the most significant single step in the development of the Department since it was established in 1964."

"It will go a long way towards bringing its responsibilities into line with those of the Scottish Office."

Mr. Lowe was dismissed by Quilter, Hilton, Goodison and them Mr. Michael Lowe, a former employee of Quilter, Hilton, Goodison, of which Mr. Nicholas Goodison, chairman of the Stock Exchange, is a partner.

Mr. Lowe said yesterday that the suspension was for advising a relative to buy shares in a company while believing that another client of the partnership was about to buy shares in the same company. He emphasised that he had "assumed" that the client would be buying, and had not known for certain.

The other member suspended—for two years—is stockbroker Mr. Jack Markham, a member for 23 years. He left Pinchin Denny this year.

More powers for Welsh Office

THE WELSH OFFICE in Cardiff takes over responsibility in Wales for agriculture, higher and further education, and the administration of ancient monuments today.

Mr. John Morris, Welsh Secretary, said yesterday: "The new responsibility represents the most significant single step in the development of the Department since it was established in 1964."

"It will go a long way towards bringing its responsibilities into line with those of the Scottish Office."

Mr. Lowe was dismissed by Quilter, Hilton, Goodison and them Mr. Michael Lowe, a former employee of Quilter, Hilton, Goodison, of which Mr. Nicholas Goodison, chairman of the Stock Exchange, is a partner.

Mr. Lowe said yesterday that the suspension was for advising a relative to buy shares in a company while believing that another client of the partnership was about to buy shares in the same company. He emphasised that he had "assumed" that the client would be buying, and had not known for certain.

March, 1978

These notes having been sold, this announcement appears as a matter of record only.



**Akzo nv**  
Arnhem

DM 50,000,000

6% Bearer Notes of 1978/1984

Deutsche Bank  
Aktiengesellschaft



# The slide in Gilts

The overriding feature of the market in the last week of the three-week Easter account has been the slide in gilt prices reflecting concern over the weakness of sterling and fears of higher interest rates. MLR held steady yesterday at 61 per cent, but the low level of applications for Treasury Bills is a signal that a rise may be coming soon.

In the equity market thoughts of higher interest rates hit share prices in the hire purchase and property sectors, but overall the market ended the week more or less all square. Some strong buying took place on Wednesday based on Budget hopes, but the gains were eroded during the next two days, as the market focused its attention on sterling.

## Lucas revs-up

The share price of Lucas Industries, the motor components giant, has risen noticeably recently, showing a near 5 per cent gain for the week. In fact it has now regained over a third of the 100p drop to 240p that took place between September and early March.

The renewed enthusiasm is understandable. Before Thursday's half-time results Stock Market sentiment was still indulged to a large extent by bullish forecasts earlier this year from Smith Keen Cutler, the local Birmingham brokers who are close followers of the company.

As a result most brokers were looking for no more than £26m. pre-tax at Lucas's interim stage, compared with £34.7m. But Lucas declared pre-tax profits of £27.6m. for the six months to January 31, and no nasty surprises.

The shortfall of £7.1m. is more than explained by the £11m. cost of the toolmakers' strike last summer, and confident noises are coming from Lucas's boardroom about prospects for the second half. Sales and profits for February are well up on the comparable period, a firm trend which Lucas expects will be sustained.

But what underpins the performance at Lucas is the group's limited exposure to any one vehicle industry. So although tractor component sales to the Turkish market have now virtually ceased, and the aerospace business has yet to make a significant contribution, Lucas has seen strong demand for vehicle equipment in Europe.

Orders from Leyland have been increasing thanks to higher output levels. And in diesel components deliveries to Peugeot and Citroen have risen while for good measure there is a VW contract due to start up shortly. With £80m. pre-tax profits on

the cards for the full year Lucas should continue to outperform its sector.

## BOC gets control

This week BOC International began to assert itself once again in its ding-dong battle for control of the American producer of industrial gases. The Board of the British company decided to raise its stake to above 50 per cent. It told the Alroco Board, in a marathon meeting of the directors of the two companies, that it was going to take this step and promptly announced the purchase of \$37m. of sufficient extra shares to raise its stake from 49 per cent. to 54 per cent.

Although Alroco is challenging the validity of an earlier tender offer by BOC in the courts, this new purchase effectively gives BOC control of Alroco. BOC says that changes on the Alroco Board will now follow.

The object of the exercise is to give BOC an American presence at a single stroke. Alroco's sales of \$920m. compare with BOC's own of \$1.3bn. and make Alroco the third largest producer of American industrial gases. The question still remains, however, whether BOC's tactics have achieved this object in the

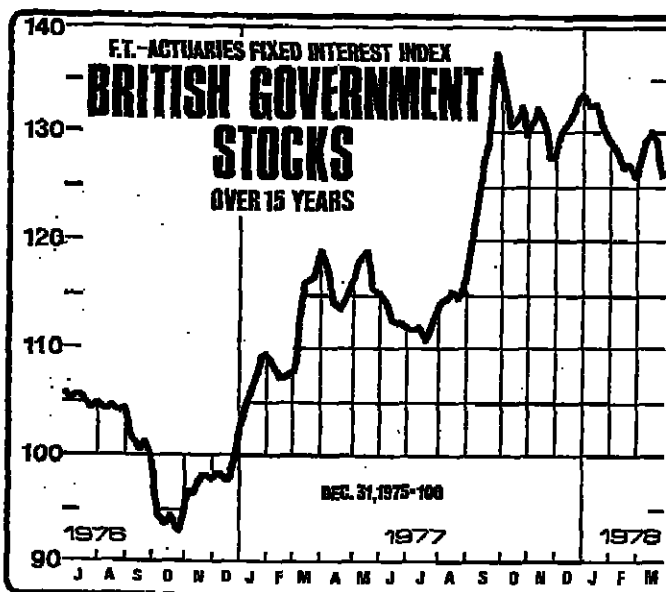
## LONDON

### ONLOOKER

cheapest possible way. The company's ill-fated sprint for full control has led to American litigation, a curious love-hate relationship between the two Boards, and the possibility that BOC may end up paying more for Alroco than it would have if it had bided its time.

## Life figures

The results of the life company giants—Prudential, Legal and General and Pearl—disappointed the market this week, though shareholders get the maximum dividend rise and policyholders receive substantial bonus increases. Profits from long-term funds have progressed steadily (it would be very surprising if they did anything else) and investment income on shareholders' funds showed useful rises—taking into account the effect of the strength of sterling on income from overseas holdings. The disappointment in each case came from poor underwriting results on general insurance business that showed little or no improvement over 1976.



The U.K. general insurance picture last year was that commercial business remained profitable, but household and private motor business was a loss maker. The Pru and the Pearl, with their predominance of household business, would appear to be suffering from under-insurance by their policyholders and neither company has yet done much to overcome this problem by indexation, preferring to rely on exhortation. The success of other insurers with indexation of sum insured (and premiums) may convince these companies of the wisdom of switching.

Meanwhile, these losses will continue to eat into shareholders' profits, which makes the announcement from London and Manchester, a comparative life minnow, that it intends to enter the general insurance field, somewhat surprising.

Up to now, the general business brought in by its agents has been re-insured 100 per cent. Now it is raising £2m. by a rights issue in order to be more active in underwriting general business. But it does mean that shareholders get a 25 per cent. rise in dividends.

## English Property

Just how hazardous the business of property development can be comes through clearly in this week's annual report from English Property Corporation. The group completed construction of six major office buildings in "prime central situations" in Brussels in January this year. The cost was £68m., and that is the figure at which they are capitalised in the EPC balance sheet.

Unfortunately, according to the directors' valuation the buildings are only worth £35m. at present, because the Brussels property market is still

severely affected by the world recession and a substantial oversupply of offices. Consequently, says EPC, investment values are difficult to determine "because market conditions are not sufficiently re-established to permit a reliable appraisal of the ultimate value of this portfolio."

So it remains the view of the directors that these buildings will sometime—they do not say when—have a value in excess of their present value. Other interesting features of EPC's annual report are consolidated accounts in which the Canadian subsidiaries—Carena and Trizac—are treated as investments, emphasising EPC's point that it has no responsibility for any of the Canadian debts or liabilities. However, the deconsolidated revenue account shows that without its share of the Canadian profits EPC would have no profit to pay its shareholders' dividends. And that is before adjusting for capitalised interest (£141m.), extraordinary losses (£64m.), valuation deficits actually accounted for (£12m.), and the £33m. shortfall on the Brussels valuation. EPC's shares ended the week 5p lower at 33½p.

## THE TOP PERFORMING SECTORS

IN FOUR WEEKS FROM MARCH 2	% change
Newspapers, Publishing	+21.3
Entertainment, Catering	+13.1
Stores	+12.3
Breweries	+10.7
Wines and Spirits	+10.6
Motors and Distributors	+10.4
All-Share Index	+8.2

## THE WORST PERFORMERS

Light Electronics, Radio TV	+5.4
Tobacco	+5.1
Household Goods	+4.7
Property	+4.6
Shipping	+3.8
Discount Houses	-0.1

## U.K. INDICES

Average week to	March 31	March 23	March 17
Govt. Secs.	74.28	75.36	75.80
Fixed interest	77.80	78.29	78.28
Industrial	464.9	462.0	457.9
Gold Mines	156.4	148.1	158.8
Dealing mkt.	4,959	5,165	4,308

## FINANCIAL TIMES

Govt. Secs.	74.28	75.36	75.80
Fixed interest	77.80	78.29	78.28
Industrial	464.9	462.0	457.9
Gold Mines	156.4	148.1	158.8
Dealing mkt.	4,959	5,165	4,308
Capital Gds.	202.14	200.52	199.45
Consumer (Durable)	185.26	184.62	182.69
Cons. (Non-Durable)	195.71	193.53	191.14
Ind. Group	200.44	198.93	196.72
500-Share	221.70	219.99	216.82
Financial Gs.	165.75	166.01	165.35
All-Share	205.76	204.24	201.75
Red. Debs.	60.99	61.05	60.98

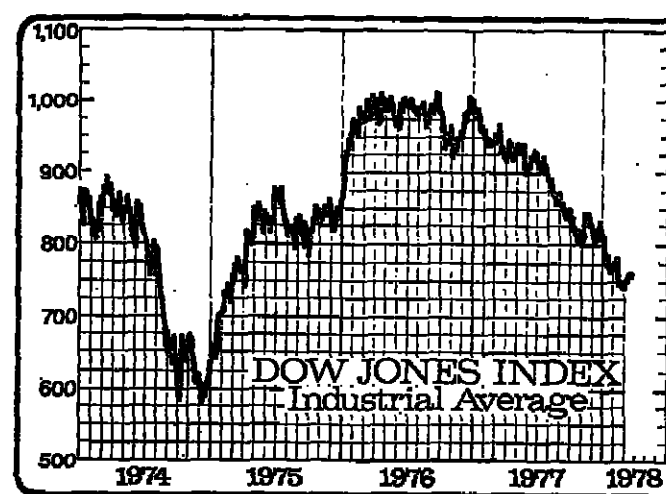
# Feeling the pulse

BY JOHN WYLES

NEW YORK, March 31.

THE NEW York Stock Exchange's capacity for dealing with disquieting economic news which will establish a new low in over the past year has not been particularly impressive. During last autumn the weekly publication of figures showing steady increases in the money supply seemed, as the harbinger of future inflation, to provoke a swiftly negative reaction from the market which was also unable to cope with the dollar's decline on the foreign exchanges in the closing months of the year. In short, the market seemed gripped by a bad cold which refused to respond to the more positive economic medications offered by steady growth and an expansion in national and personal income.

In the last month or so there have been signs of convalescence. As this column noted, a technical support area did appear to help stop the Dow Jones Industrial Average swinging down through 740 and subsequently the market enjoyed modest rallies lasting through several days which in early February took the industrial's back through 780. Many analysts did, advising their institutional clients to increase their new robustness was a false dawn



of further declines in the recent market rallies cannot be sustained, that a "significant intermediate peak" will be reached some time in the second quarter which would be followed by a downward drift to new, lower levels.

Becker also believes that a recovery cannot take place until there is an end to the present bull market in secondary stocks, which this week took the American Stock Exchange to record highs in four consecutive sessions. His words suggest that the newcomer will be primarily a producer of uranium and a good anti-pollution device. Negotiations on a new deal with the car men are in progress but Rustenburg comments that it is not possible to say whether the outcome will be successful.

Rustenburg has decided not to pay an interim dividend but will consider a final when the time comes. "The mine's costs appear to be higher than those of the rival Impala which looks of the better choice from an investment angle for those who believe that platinum has really turned the corner."

Finally, this week's South African budget has brought no shocks as far as mining investors are concerned. The situation for them is virtually unchanged, although the companies will receive some benefit from the proposal to reduce the surcharge on normal South African company income tax from 10 per cent. to 7.5 per cent. for the gold and diamond miners. Other companies are to have their surcharge cut from 7.5 per cent. to 5 per cent.

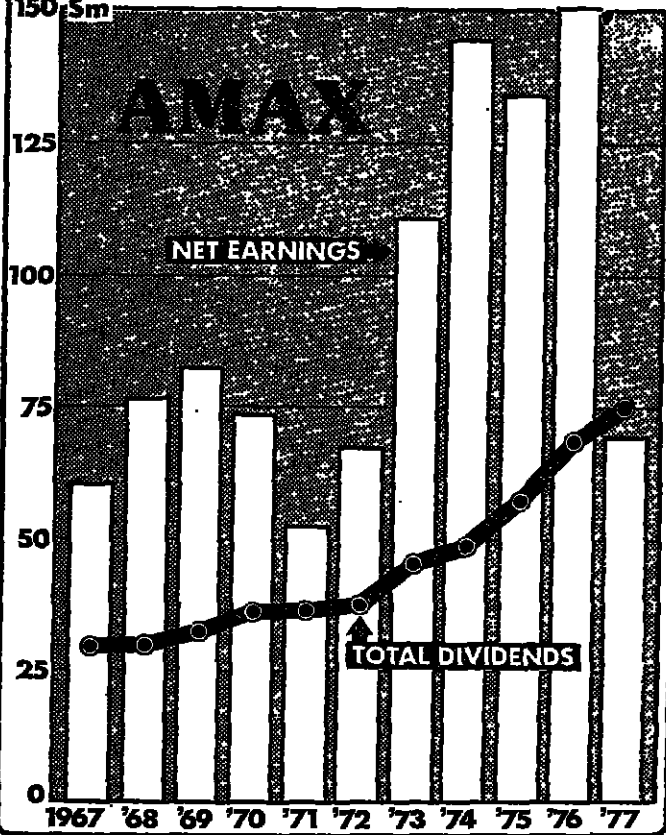
Platinum prices are also a puzzle and the world's largest producer of the metal, Rustenburg Platinum Mines can hardly be blamed if it does not know quite which way to turn. As recently as the beginning of last November the South African producer announced that because of depressed market conditions it was to cut output Amx, its earnings are cushioned by the good market for molybdenum.

As for copper and nickel, platinum supplies to the West producers everywhere are with the result that the free eagerly looking for signs that the worst is over. They have off from about \$170 per ounce been encouraged by the recovery in the London Metal Exchange price of copper which has risen by nearly \$100 to \$702 in the past month. This reflects mine cutbacks and closures. Platinum raised their selling prices in stages from \$162 to the current level of \$220.

This week Rustenburg has announced that it is to increase its production by an unspecified amount "so as to more closely match the level of sales" which have been running ahead of the reduced production. Sales in the past six months to February 28 have matched those of a year ago.

As for copper and nickel, platinum supplies to the West producers everywhere are with the result that the free eagerly looking for signs that the worst is over. They have off from about \$170 per ounce been encouraged by the recovery in the London Metal Exchange price of copper which has risen by nearly \$100 to \$702 in the past month. This reflects mine cutbacks and closures. Platinum raised their selling prices in stages from \$162 to the current level of \$220.

This week Rustenburg has announced that it is to increase its production by an unspecified amount "so as to more closely match the level of sales" which have been running ahead of the reduced production. Sales in the past six months to February 28 have matched those of a year ago.



## MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1977/8 High	1977/8 Low	
Ind. Ord. Index	463.8	+3.3	497.3	433.4	Equities resistant ahead of Budget
Treasury 151pc. 1998	112.23	-2 1/2	113.54	112.24	Sterling/Interest rate worries
BPM Hldgs. A	55	+8	55	46	Good interim figures
Crescent Japan	149	+11	149	116	Domestic market influences
Corning Rictinto	190	+22	192	148	Diamond exploration hopes
Giff & Duffus	222	+12	230	190	Reflects commodity interests
Hope Counties News	72	+9	72	55	Bumper annual profits
Kode International	103	+10	104	77	Impressive annual results
London Sumatra	145	+22	145	69	Increased bid hopes
Lucas Industries	280	+14	284	240	Int. profits above mkt. estimates
Lydenburg Platinum	56	-12	74	54	Interim dividend passed
MLM Hldgs.	166	+16	166	125	Strength of base-metal prices
Martin (R.P.)	54	-8	74	51	Disappointing interim statement
Messina	88	+12	96	70	Rise in copper price
Mills & Allen Intnl.	170	-22	196	110	Pfc.-tkt. after recent strength
Morgan Edwards	37 1/2	+1 1/2	38	22	Major stake to change hands
Fraser & Neave Ind. Hldgs.	81	-7	90	35	Tongast threat to withdraw bid
RIZ	202	+16	202	164	Strength of base metal prices
Sudby Parke Bernet	246	+16	246	199	Persistent investment demand
Wolstenholme Bronze	185	+20	185	162	Impressive preliminary figures

# Depressed but still hopeful

THE STRONG performance of the senior partner in Holland's two-party Coalition Government in Wednesday's regional elections had little immediate impact on the Amsterdam Stock Exchange. In the longer term, however, it is seen as a favourable sign for the market.

The good level of support for the Christian Democrats—though their junior partners, the Liberals, did less well—indicates a period of political stability after the long drawn out government crisis of 1977. Details of the three-month-old government's policies are still rare but radical plans to restructure the shipbuilding and heavy engineering industries now it is prepared to take measures to improve the profitability of industry.

The outlook for shares in 1978 for a year of moderate if unremarkable improvement. Dutch companies could show an average 10 per cent. increase in 1977 while interest rates still appear to be held downward. Despite difficulties in some sectors, notably engineering and metals, the 3 1/2 wage round seems likely to produce continued wage moderation while inflation is likely to fall. Official forecasts for a rate below 5 per cent. this year, down from 5.4 per

cent. in 1977, but one senior banker this week was optimistic that the 4 per cent. barrier might be broken.

Currency uncertainties continue to overshadow the market, however, and although conditions on the Foreign Exchange Market have calmed there is no guarantee the German-U.S. accord will achieve its aim of greater stability. The dollar's weakness and the dull conditions on Wall Street have depressed Dutch internationalists recently. Philips' result in particular showed vividly the impact of currency fluctuations on the Dutch-based multinationals with its charge of £130m. for adverse currency movements.

Good company results have boosted some Bourse sectors in the past few weeks while others have remained depressed. Banks, insurances and public utilities have done particularly well although mortgage banks came under pressure after the announcement of loans for inflation accounting. The outstanding performance of the mortgage banks—the largest, Westland-Utrecht—saw net profits rise 82 per cent. last year—meant they were particularly vulnerable to profit taking. However, Dutch plans for inflation accounting will involve not only business but also the

private individual. Part of the tax advantage enjoyed by house purchasers would be wiped out if the plans are ever implemented. The reaction of the Government to the plans was so lukewarm however that bankers are not too worried. The market was left unmoved by the positive aspects of the proposals—namely the reduction in corporation tax which will result from removing the

## AMSTERDAM

CHARLES BATCHELOR

inflation element from profits. The government's interim measure to give £1.1bn. in tax reliefs, most of it to companies, in 1978 should show up in improved profits next spring however.

The decision to introduce a "General Local" Index covering Dutch domestic stocks should make stock exchange developments clearer for the investor. The five international stocks—Philips, Unilever, Royal Dutch Shell, AKZO and Hoogovens—have a weighting of 46 per cent. in the "general" index and they tend to disguise the trend of local stocks. They

do not appear at all in the new "General Local" index. In the new index industrial stocks have a 75 per cent. weighting, banks 9.83 per cent., shipping and airlines 7.89 per cent., trading stocks 5.77 per cent., and insurances 1.92 per cent.

After a net loss of one share in 1977—44 listings were dropped due to takeovers and liquidations while nine new ones were listed—the Stock Exchange will gain one new stock in April. The construction company Royal Adriaan Volker is coming to the bourse with a 10 per cent. reissue of shares and a new issue of 3 per cent.

The bond market has seen high levels of new issue activity in recent weeks with a stream of domestic and foreign borrowers. The new issues met with strong demand. The list of new issues put some pressure on the secondary market but there is good demand, particularly from foreign investors put off the Swiss and German capital markets by the monetary authorities' recent measures.

While the Stock Exchange continues to report good levels of turnover for both shares and bonds, Amsterdam's traded options market will open on Tuesday, April 4. Apart from the prospect of sizeable business on the European options exchange itself, the organisers hope it will stimulate trading in the underlying stocks.

# The basic tone remains positive

"WAIT AND SEE" has been the watchword in German Stock Markets for the past couple of months. Wait and see what the Dollar is going to do, how long strikes in the printing and metalworking industries will last, how high the wage settlements will be, whether the Bundesbank will impose controls similar to those in Switzerland to block the inflow of foreign speculative funds, and, for a time, wait and see who was going to win the French elections.

So there hasn't been much buying. On the other hand, there hasn't been much selling. Without the support of large buy orders, prices have tended to slip, but the Commerzbank Index of 60 leading stocks has shown a tough resistance at 790 (1977 high-low 813.3-712.5).

Many investors and brokers took advantage of the uncertainty to extend their Easter holiday, so that activity in the shortened weeks before and after Easter was curtailed even more.

But the basic tone is positive,

with an ear to the ground for approaching currency trouble. Two major factors have come together to make shares an increasingly attractive investment. One is the precipitous fall in capital market interest rates. The downward trend was accelerated with December's cut in the Central Bank's key lending rates—the Discount and Lombard. This led banks to cut the rates on passbook and savings accounts (to 2.5 per cent. in most instances), which caused many savers to shift funds into bonds, driving down yields on fixed-interest securities.

The Federal Government brought out a two-tranche issue in February, with an eight-year bond carrying a 5.5 per cent. coupon. The bond market has been consolidating this rate, a new Government issue in April is expected to carry similar terms.

Meanwhile, investors have kept their pocket calculators at hand to figure out the effects of Germany's new corporate tax reform on dividend yields. The reform, which boosts corporate taxes to give shareholders an

income tax credit, is expected to make most companies cut their cash dividend. Domestic shareholders, who cash in on the tax credit (foreigners don't), and Dresdner now are expected generally receive higher yields than the previous year, though. This makes speculation about a dividend a bit tricky. The question is not whether a company will maintain or raise its dividend, but how much will the dividend be cut. (Cases like Siemens, which maintained its DM3 dividend rate out of con-

Hoehst and BASF both had bad things to say recently about 1977's performance (Bayer should report this coming week). Still, most dealers think all three will pay DM6.50 (1976: BASF, 8.50, Hoechst and Bayer, 8), which would mean a yield of 7 per cent. (including tax credit) at current prices.

Another possible benefit, this one for foreigners as well, is that the new law probably will encourage more rights issues—companies will take advantage of the lower tax on distributed income to make relatively high payouts, but draw the money back in by issuing new shares. Volkswagen is due to announce terms of its planned rights issue next week. RWG and Deutsche Babcock have already announced theirs, and others may be in the offing.

## FRANKFURT

DEL DELAMAIN







## YOUR SAVINGS AND INVESTMENTS

مكتبة الشرق

Clippies  
clipped

BY ERIC SHORT

IF WE were left to our own devices, very few of us would do much about taking out adequate life insurance or effecting efficient savings plans. We would be content to leave the money in our bank account. As it is, most of us feel that we have taken a tremendous step when we transfer funds to a building society account for the sake of a return. Life insurance is something we have to be sold: it is not something we go out looking for like a television set.

But there is selling and selling. One method used by a few operators has been making the headlines recently—and has been condemned by the Government, the insurance industry and the insurance brokers alike. That is the method known as clipboard selling.

For the uninitiated, the method involves an approach in the street by an attractive girl, armed with a clipboard, who stops passers by to ask whether they are prepared to answer certain questions. I have not had the luck to be so approached, but I have a copy of the questionnaire used by one of the clipboard sellers, Milford and Co. (Investment Brokers). It makes interesting reading.

Having ascertained that you are willing to answer questions, the girl asks you where you work, what your occupation is, whether you save on a regular basis, what amount and by which method—bank, building society, unit trust. She then asks whether you are married and your age. You might well think at this stage that you have got it made (the girls only approach males between 18 and

40 years of age, according to one salesman interviewed on radio). But then comes question number 10—the crunch question. Would you be interested in saving profitably, with assurance protection and tax advantages?

And it then turns out that this approach is just a method of getting your name and address, in order that a sales representative can come and sell you a life assurance plan on a regular basis. If it was a man who had approached you, an appropriate comment might well end the interview there and then. But with an attractive young lady you might well be more weak-willed.

Objections to clipboard selling hinge on the element of deception in the approach. Life insurance is not mentioned until well into the interview. So last December, Mr. John Fraser, the Prices Minister, called for an end to what he considered was a deceitful practice and an abuse of trust. The Life Offices Association and the British Insurance Brokers Association have condemned the practice, and advised their members not to use it or have anything to do with it. And the Radio 4 programme, Money Box, has thoroughly investigated the operations of Milford, which made extensive use of this method.

Mr. John Sharp of Milford has confirmed that, because of adverse reactions by the life assurance industry, his company is phasing out its use of clipboard sales. Public opinion is, it seems, still a powerful force. Maybe it should now be directed to door-to-door sales of life assurance and savings schemes. The LOA claims that there is a world of difference between such sales and the clipboard method. But if clipboard selling is to be condemned even though the important question is asked at the beginning—as Property Growth Assurance insists is done by its clipboard girls—then why is it got it made (the girls only approach males between 18 and

TO JUDGE by the amount of money pouring into the specialist trusts, America now qualifies as the average investor's new found land. Not that it is in fact all that newly found: most of the managers whose funds are listed in the accompanying table say that the real inflow started as long ago as last autumn. According to the figures they claim, there is more than £750,000 a week going into these funds alone.

But the question arises: though the British public, unlike its U.S. counterpart, appears convinced that the Dow Jones represents good value, are its fund managers of the same persuasion? Or is that money simply being put into the money market, or another portion of the equity portfolio, while the professionals wait for Wall Street to bottom out?

A glance at the table would appear to indicate that that is the case. Two of the funds contained in it are 20 per cent. liquid, which is really very

## American dream

BY ADRIENNE GLEESON

TRUSTS INVESTED IN NORTH AMERICA

Fund	Value £m.	% Invested	Of which, invested in N. America %
Britannia North America	1.6	85	All
Chieftain American Trust	1.1	80	All
Gartmore American	3.2	88	All
Henderson N. American	9*	85	All
M & G American & Gen.	30*	87.5	98
Midland Drayton Int.	2.8	85	68
Nat. West. Internat.	3.5	84	70
S & P US Growth	27	96*	All
Schlesinger American	9*	80	All

\* Approximate figures.

high for a unit trust; and only one of them—Save and Prosper U.S. Growth—has less than 10 per cent. of its funds out of the market.

Closer enquiry suggests that appearances are deceptive. Of the two trusts with a really high level of liquidity, Chieftain has halved the proportion out of the

that a falling market presents fine buying opportunities.

Even where the level of liquidity has risen, it is not necessarily a sign of a bearish view of Wall Street. Midland Drayton's fund was only 10 per cent. uninvested in November: but of the money now in equities a much higher proportion has been switched to the U.S. Gartmore's liquidity has risen from 8 per cent. in the past couple of months—but the managers are distinctly nervous of letting it go any higher, because they believe that when the market moves it will move extremely fast.

Should that happen there will, of course, be no problem for these funds in getting into the U.S. market: sizeable though some of them are in U.K. terms, the sort of money they have to deploy is chicken feed by Wall Street standards. So the argument for investing now is that it would be difficult to get in as fast, but that it would be expensive.

## Writing options

LAST WEEK I took a look at the possibilities which the new market in traded options will offer to the man who would buy call options in a stock. This week let us consider the possibilities available to those who would write those options.

Anyone who writes an option—that is, grants someone else the right to buy at a certain price in return for a premium—runs the risk that he will be asked to fulfil the bargain. Now, if he happens to have the stock to cover his commitment—if he is writing a "covered option"—that isn't too much of a problem: he may have to forfeit some profit if he has to surrender that stock, but it doesn't expose him to very much of a risk. If, however, he does not own that stock (if he is a "naked writer") or if he owns enough to honour only part of the bargain (if he is "partly covered"), then he could find himself in very deep water indeed.

Let's suppose that he's granted to someone else the right to buy ABC stock at 40p. If ABC were, at the time, to be standing at only 30p, he might have thought that he was safe enough, even though he owned none of the shares himself. But suppose that there was great and unexpected news for the shareholders of ABC: a takeover bid, perhaps, or the discovery of gold under the parking lot. Their shares might double, maybe even treble, and our friend would have to chase them up in order to fulfil his commitment to sell them at a very much lower price.

Writing uncovered options is, therefore, a risky business, though not so risky as it would at first appear: certainly in the traditional options market comparatively few people have had occasion to regret that they took money from other people in return for the right to buy shares that they didn't have at a price they considered those shares most unlikely to reach.

Members of the London Options Clearing House—through whom all deals must be channelled—will, in addition, cross guarantee one another for £125,000 apiece; and that fund can be called on in the event of a default. And if these resources are insufficient to meet the obligations of defaulters, the Stock Exchange compensation fund itself will be used to do so.

ADRIENNE GLEESON

## Provincial notes

INVESTMENT in real assets—like stamps, porcelain and furniture—is always an attractive idea. There is the pleasure of backing your fancy in aesthetic terms, as well as the prospect of capital gain if every one else follows suit. From an investor's point of view, however, most established markets—those in which there are enough collectors to make the rarest and best specimens extremely valuable—are sound rather than exciting. It's much more entertaining to put your money into a market which is young but growing up fast.

Such a market could be the one now developing in British provincial bank notes. Spinks has just published a catalogue of them, to coincide with an exhibition at their premises in the West End.

The publication of a catalogue

can be an important stage in the development of such a market. If it is updated from time to time, it will provide collectors with guidelines which permit them to buy and sell with some confidence. Stanley Gibbons' stamp catalogue is a case in point.

Of course there's no guarantee that this incipient market in provincial notes will ever develop into anything else. The whole thing could go badly wrong. You rarely hear about the life savings that might have been lost investing in, say, a limited edition of medallions depicting the triumphs of Mickey Mouse.

However, provincial bank notes do have some of the attractions which would make for real interest from collectors. The banknotes expert at Spinks has chosen them in preference to the so-called "worthless bonds," in which another market now seems to be developing. Spinks says that there are just



too many of those bonds around for comfort.

Provincial notes are attractive in appearance, as the illustration indicates, though they are rather small to frame by themselves. One of their strengths is

that the banks which issued them were dotted all over the country, so that any collector can probably find a note with the name of his home town on it. So there's a basis for parochial loyalties—the sort of thing which can fire the imagination of enthusiasts. Provincial bank

JAMES BARTHOLOMEW

Institution/ fund	Currency Quoted	Valuation	Minimum purchase on issues	Initial charge %	Annual charge %	Asset growth % over 1 year
Rothschild Asset Management (CI)						
Old Ct. Equity	£ —	Monthly	1,000 units	5	1	16
Old Ct. Income	£ —	Monthly	1,000 units	5	1	48
Old Ct. Ind.	£ —	Monthly	1,000 units	5	1	24
Old Ct. Smaller Cos.	£ —	Monthly	1,000 units	5	1	67
Old Ct. Commodity	£ —	Twice monthly	1,000 units	3½	1*	8
Old Ct. Dollar Commodity	\$ Amsterdam	Twice monthly	1,000 units	5	1÷	NA

\* Plus directors' and managers' fees and expenses.  
† Plus incentive fee of 10 per cent. of any appreciation

ONE OF the frustrations for the would-be adventurous investor in U.K. unit trusts is that it is impossible to invest directly in commodities: the nearest that he (or she) can get to it is a fund which invests in the shares of companies with a high exposure to fluctuations in raw material prices. The same constraints do not apply to residents abroad, for whom there are any number of managed funds with portfolios very largely composed of holdings, either of the raw materials themselves or of contracts for their future purchase.

Among those funds are two managed by Rothschilds, as

## Commodity funds

gives the funds some access to commodities, like oil, which cannot be bought and sold upon the market. At the moment the split is 40/40, with 20 per cent. of each fund held in liquid form.

As of now Rothschilds' funds are only open to those with capital to invest—there are no savings or life assurance plans. For all their appeal as a way of investing in real assets, success in the commodity funds depends, like success in anything else, on getting the timing right. As the table indicates, the offshore investor would have done much better over the past

year in one of the other funds.

Invest in America  
now with Tyndall

- \* A stake in the world's richest economy.
- \* A chance to benefit from today's strong £.
- \* An opportunity to invest when US shares are cheap.

Many shrewd investors see the good sense of having a part of their investment in the US now. Tyndall believe that the economic factors justify a higher level of prices for US shares, which today stand at attractively low prices, and that a change of mood could produce substantial gains for investors.

**Economic Strength**  
On such fundamentals as profits, dividends and assets, American shares are now cheaper than they have been for decades. Yet the US economic indicators are strongly favourable, with an inflation rate of 6.7% last year and a rise in GNP of 5% in real terms. Corporate profits too continue to grow at a sustained pace.

This is why Tyndall believe that now could be a good time for investors to put some of their money into America.

**Benefit from Tyndall experience**  
For the first time investors can benefit from a unit trust managed by Tyndall, the London Wall International Fund, which is now investing exclusively in American shares. The Tyndall Group have extensive experience in American investment from their substantial overseas involvement over the past 10 years.

The portfolio of investments will consist of those leading US shares which Tyndall believe are now especially undervalued, and is invested through the premium currency pool.

Today's strong pound means that British investors get more dollar stocks for their sterling. You take advantage of this favourable exchange rate by investing now. For your information the estimated gross commencing yield on 28th March 1978 was 4.63% and the offer price 29.9p.

Remember that the price of units and the income from them can go down as well as up. You should regard your investment as long term.

**How to invest**  
You can invest from £500 upwards in the London Wall International Fund by completing the coupon below and sending it with your cheque.

## Important Details

Units, which are dealt in daily, will be allocated at the offer price prevailing when your completed application is received. Unit prices and yields are quoted in most national daily newspapers. The minimum investment is £500. To invest, fill in the coupon or talk to your financial adviser without delay. Applications will be acknowledged and your certificate sent within 35 days.

If you wish to sell your units, the Managers will purchase them at the bid price on any trading day. Payment will normally be made within seven days of the receipt of your remitted certificate.

All unit holders receive their distributions net of tax at the end of each year on 1st May and 1st November. Investors may wish to receive their first distribution in November 1978.

An initial management charge of 2% is included in the buying price of the units. A full yearly charge of 1.5% (plus 1% V.A.T.) of the Fund is deducted from the Trust's income.

The Trust is authorised by the Secretary of State for Trade and the units are a "widely ranging" investment under the Trustee Investments Act 1961.

The Royal Bank of Scotland Limited is the Trustee and holds all the Trust's cash and investments on the unit holders' behalf.

## APPLICATION FOR UNITS

Applications should be sent to:  
The Tyndall Group,  
18 Canynge Road, Exeter EX99 7UA.  
(Registered No. 793314, England)

I enclose £ for investment in London Wall International Fund, at the offer price ruling on the day you receive this application. Minimum investment £500. Cheques should be made payable to The Tyndall Group. Commission of 1% is payable to recognised agents.

Surname (Mr, Mrs, Miss or other)  
Christian Name  
(in full)  
Post address

\* I declare that I am over 18, and am not resident outside the UK or a Scheduled Territory and that I am not acquiring the units on the initiative of any person resident outside the UK.

Signature  
If you are unable to make this declaration, it should be signed and dated by the person(s) on your behalf.  
Offer not available to residents of Eire.

**London Wall International Fund**  
A Tyndall Group Unit Trust  
Member of the Unit Trust Association

## INCOME

The Cabot Extra Income Unit Trust offers an estimated current gross yield of 9.1% which represents one of the highest yields currently available for a unit trust wholly invested in ordinary shares. There are no preference shares. Moreover, this yield is higher than that offered by many fixed interest investments and it is the Managers' aim to select shares which provide prospects of improving dividends in order to maintain a pattern of increasing income distributions.

Should the Government remove the current restraint on dividends, the distributions made by the Trust should improve because companies within the portfolio will no longer be subject to the maximum dividend increase of ten per cent.

## GROWTH

Cabot Extra Income Unit Trust has a wide ranging portfolio invested in shares of carefully selected U.K. companies. Many investment advisors acknowledge that, over the longer term, the overall return offered by the spread of high yielding shares is likely to prove more attractive than many fixed interest investments.

Profits of many U.K. companies are now moving ahead strongly and it is likely that the Government will increasingly regard a healthy and profitable private industrial sector as an important part of its economic strategy.

Remember that the price of units and the income from them can go down as well as up. You should regard your investment as a long term one.

## PERFORMANCE

Since Cabot Extra Income Units were first offered to the public, in September 1977, the unit offer price has risen by 12.8%. The Financial Times All-Share Index has fallen in the same period by 6.3%.

The value of the Fund now stands at £6 million.

## QUARTERLY INCOME PAYMENTS

Cabot Extra Income Unit Trust has been designed for those who require a high and regular investment income. Distributions are made once a quarter on:

1st February, 1st May, 1st August, 1st November.

The first distribution on units purchased.

**9.1% PA.**  
Estimated current gross yield  
**PAID QUARTERLY**

under this offer will be paid on 1st August 1978.

Cabot Extra Income Unit Trust offers, through concentration of investment in ordinary shares:—

- 1) High initial level of income.
- 2) Prospects of improving income.
- 3) Prospects for capital growth.
- 4) Quarterly income payments.

## HENDERSON ADMINISTRATION

Investments in Cabot Extra Income Unit Trust are managed by Henderson Administration Limited, an investment management company

established in the City for 40 years and now managing funds, including the Henderson Unit Trusts, approaching £260m.

## TO BUY UNITS

Ask your professional advisor whether you should consider an investment in this extra income unit trust. You can invest through him or direct by using the coupon below.

This offer of units is made at a fixed price of 56.4p xd and will close on April 7 1978 or earlier at the Manager's discretion. Units will be available after the offer closes at the normal daily price.

Unit Prices and yield are published daily in leading newspapers.

## ADDITIONAL INFORMATION

Commission of 1% will be paid to recognised agents. An initial charge of 2% is included in the offer price. An annual charge of 1% (plus V.A.T.) of the value of the trust is deducted from gross income to cover administrative costs. Contract notes will be issued and unit certificates will be forwarded within six weeks of payment. To sell units, endorse your unit certificate and send it to the Managers. Payment will normally be made within seven working days. Trustees: Williams & Glynne Bank Limited. Managers: Henderson Unit Trust Management Limited, 11 Austin Friars, London EC4N 3JD (Registered Office). Reg. No. 896563. A member of the Unit Trust Association.

To: Henderson Unit Trust Management Limited,  
Dealing Dept., 5 Rayleigh Road, Hutton, Brentwood, Essex CM13 1AA.  
Telephone enquiries 01-588 3622.

I/We wish to buy units in Cabot Extra Income Trust at the fixed price of 56.4p xd per unit (minimum initial investment 1,000 units).  
I/We enclose a remittance of £ payable to Henderson Unit Trust Management Limited. After the close of this offer units will be available at the daily quoted price.

Surname: Mr./Mrs./Miss  
BLOCK CAPITALS PLEASE  
Christian or First Name(s):

Address:

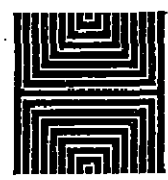
I/We declare that I am/we are not resident outside the Scheduled Territories and that I am/we are not acquiring the units as the nominee(s) of any person(s) resident outside these Territories.

Signature(s)

(If there are joint applicants each must sign and attach names and addresses separately).

Date:

This offer is not available to residents of the Republic of Ireland.



**Henderson**  
Unit Trust Management







## MOTORING

Ford's fastest saloon, the 120 mph fuel injected Granada "S" was styled to look like a Mercedes and has also been compared with BMW's 7-series cars. But is it as fast as the Mercedes? Ford says it is. It was Ford's last bid to win a stepped out of BMW's 733i and into a Granada "S" because the differences are dramatic. True, the Ford goes nearly as well as the BMW despite an engine half-a-litre smaller and its handling on Michelin's TRX super tyres is as good. But in every other respect—ride comfort, mechanical refinement and especially trim quality—it is not in the same league. People who compare the Granada "S" with a BMW or a Mercedes do it to no avail. But looked on as a muscle car for the top end of the mass market, it's not at all a bad proposition at £26,200, which is two-thirds the price of the nearest BMW equivalent, the 728.



FROM THE outside, my 18 month-old, 12,500 mile Marina 1.3 estate looked like new but the man from Ziebart warned me against over-confidence. After a high-pressure hosing underneath, he put the Marina on a lift and the beam of a powerful inspection lamp revealed the unpleasant truth.

Rust was starting to show on the vulnerable "eyebrow" areas high in the front wings by the headlamps and in the skirt at the extreme rear of the body, which was still full of salty mud. Most of the paint on the bottom of the petrol tank had flaked off and corrosion had started. Two winters had taken their toll.

The verdict: "Just what we expected," though the Ziebart man hastened to add that the Marina was no better or worse than any other car in its price brackets for corrosion resistance.

I suspect that many readers of this column who took time over Easter to wash their cars thoroughly underneath must have had a similarly unpleasant shock. Rust is no respecter of cars, though some manufacturers do go to greater lengths than others to hold it at bay.

They use galvanised steel in high risk areas (like Volvo and Porsche) or fit underwing protectors (like Saab, Leyland Princess and the new Toyotas). But the typical car, of whatever nationality, still contains nooks and crannies in which mudparks can lodge and do their dirty work month in, month out.

What can one do? Regular washing with a pressure hose under the wings is a help, but who has time or inclination nowadays for this kind of thing? Fitting mudparks behind the front wheels to stop the door sills getting gravel-rash is also useful.

But the best answer at the moment—and it will be for as

## Stopping the rot

BY STUART MARSHALL

long as cars continue to be made from sheet steel—is to have them rustproofed immediately after purchase and, ideally, before they go on the road at all.

The car manufacturers are doing more to protect their products from corrosion than they used to but scope is limited. The underbody treatment that is sprayed on during production is nothing like so thorough as a full rustproofing process, simply because the car makers do not have time to treat a vehicle moving along an assembly track. They think in seconds; it takes anything up to four hours to Ziebart a car.

Surprisingly for a country where it is said to rain for 100 days a year and where metal starts to rust easily, only 16 per cent of British cars are rustproofed after purchase. (In Sweden the figure is 74 per cent; they know what havoc a long winter wreaks on a car's underside.)

But the habit is growing as British car buyers become aware that it makes little sense to polish the outside of a body if the underside is rotting away. Rust leads to MoT failures which need expensive repairs and can seriously affect a car's inbuilt safety crushability. Instead of deforming as a collision, a rusty body shell can literally fall apart.

There are a number of processes to delay the onset of

corrosion. All are basically similar. They involve spraying all parts of the body shell liable to corrode with a material that forms a tough though flexible skin to protect the paint which in turn protects the steel.

Best known and longest established is the Ziebart process, which has become a generic name for rustproofing like Hoover has for vacuum cleaning. Ziebart became the first process to win AA approval a couple of years ago. More recently, Protectol was also AA approved.

The secret of successful rustproofing is proper preparation of the car so the spray gets into all essential places. This involves detailed knowledge of a car's construction and experience of its rust-proneness, the employment of skilled operators and proper supervision. (Ziebart recently fired their biggest franchise holder because he fell below their standards.)

Once treated, a car is guaranteed against serious rusting for what amounts to its probable working life. Ziebart says 10 years, Protectol 12 years. The cost adds about 3 per cent to the purchase price of the car.

Is it worth it? I can only report as I find. Three of my previous cars have been rustproofed, two by Ziebart, one by Protectol. None showed any obvious corrosion damage when privately sold for the advertised price. And every buyer was impressed by the fact that they had been rustproofed.

But rustproofing is a prevention, not a cure. It has to be done before the corrosion starts. My Marina does not qualify for the ten-year Ziebart guarantee but should, they tell me, be all right for five years, by which time it will be rising seven. Bearing in mind that the dangerous age for body shell corrosion is from five years onwards, that is a comforting thought.

## GOLF

HUBERT GREEN'S rally from an apparently hopeless position four strokes behind the leader Larry Nelson with eight holes to play to record a famous victory by as many as three shots in the Heritage Classic at Harbour Town links last Sunday evening emphasised several golfing axioms that tend frequently to be overlooked.

Firstly, it is said that if you hang around the lead long enough you will win sooner or later, or in plainer language—it pays never to give up trying. Secondly, a winner is very often the man who posts an early target that transfers the pressure to his rival still struggling out on the golf course. Thirdly, a great golf course does not need extreme lengths to destroy the best golfers in the world.

Harbour Town has been stretched this year to 6,796 yards. Green could have been excused for not rating his chances highly on Sunday as he was due to start nearly an hour before and five strokes adrift of the overnight leader at eight-under-par. But despite three previous rock steady rounds of 70, Hubert was on the practice tee at nine am for an hour, and returned there after breakfast until shortly before his starting time of 12.48 pm. Can you imagine any British golfer matching that kind of industry?

When Green came home in 33

shots for the best round on the day, a four-under-par 67, he set a seven-under par total of 277 in gusty winds of up to 25 mph. What is more, he got in before the rain showers hit the three groups of three playing behind him. As Green finished, poor Nelson, then standing at six under, was suffering a seemingly interminable wait on the 13th green while partners David Graham and Lanny Wadkins, both scored two-over-par sixes. Little Larry, who has yet to win a tournament, had ample time to look at the nearby leader board and see Green's total. He suddenly discovered that he must play Harbour Town's daunting, water-strewn five finishing holes in one-under-par to even tie. Instead, Nelson, who took up the game only nine years ago on leaving the army, understandably fell apart and scored 76 to finish only third. Hale Irwin, who tries harder more often than anyone in the game, scrambled round in 70 for a total of 280 to Nelson's 281.

Seldom, if ever, have I seen the last nine holes of even as wonderful a course as this

wreak such havoc. For instance, David Graham shared the lead with Lou Graham and Nelson at seven-under-par after seven holes. Yet both finished on level par in a tie for 15th place, both coming home in 41 shots against par of 35. Other world class golfers like Miller Barber, also home in 41 Wadkins, 41 Ben Crenshaw, 39, and Tom Weiskopf 38, were torn apart by nine holes measuring just 3,396 yards and containing only one par five the 556-yard 15th, which I believe is the best genuine three-shot par five in the world.

The two homework par three's, the 165-yard 14th and the 176-yard 17th required at most a six-iron shot, and at times a wedge was sufficient down wind at the former. Incidentally I am far from alone in thinking that as a quarter the Harbour Town par three's are also the best in the world—beguiling combinations of water, beautiful trees and semi-tropical shrubs through which the wind eddies and swirls, silver sand and narrow shallow or plain tiny greens.

Since construction of the

course was started in October, 1968 there have been ten Heritage Classics won by Arnold Palmer (1969), Bob Goalby (1970) Irwin (1971 and 1973), Johnny Miller (1972, 1974) Jack Nicklaus (1975), Green (1976 1978) and Graham Marsh (1977). I must mention in passing that Marsh finished as strong as ever on 70 to tie for fifth place in a distinguished defence of his title. He is the only winner here not yet to have won a major title, and there is no doubt the wiry intelligent Australian is destined to do so.

Unfortunately, he has not been invited to play in the U.S. Masters tournament in Augusta, Georgia, next week. The excellent, recently published *World Atlas of Golf*, master-minded as one of others by Ward Thomas of the Guardian placed Harbour Town as ninth best course in the U.S., an opinion which in future may have to be revised upwards as it is further modified and improved by the maturing of the turf.

The same fine book rated the 358-yard 13th hole as the best 13th hole in the world. Archi-

tect Pete Dye's most precious jewel is perhaps the perfect example of the short par that requires finesse rather than brute strength. A way wood or long iron has to be threaded through the over a bunker to the left just short of another on right which is the point of only a stroke of great accuracy allows a view of the green through the narrow between two massive oak trees.

The tiny, clover-leaf green, supported by vertiginously placed sleepers, surrounded except at the by a huge bunker. Words me in trying adequately describe this Dye mastery of design. This beautiful Head Island off the shore South Carolina must be number one target for golfer worth his salt as fares tumble. To combine a visit with a trip to Augusta National for the Masters is idea of golfing perfection.

I am afraid, however, the defending Masters champion, Tom Watson, is so into to excel there that he is danger of psyching him into disaster. After missing last two cuts he had round 70, 73, 70 and 72 to tie 18th place at Harbour Town. Yet after going out in 33 the second day Watson found necessary to change his sw enough said.

## A game of axioms

BY BEN WRIGHT

## Arab stars are just around the corner

A FIRST VISIT recently to the sessions and coaching clinics which were attended by local and expatriate children.

There is a growing preoccupation with sport throughout the United Arab Emirates, as well as in Bahrain, and inevitably soccer, being the most popular Middlesex partner, Tim Phillips, who is the British Airways manager in the Gulf, and the Revie as the football supremo within the UAE. Tennis, squash and golf—they play off sand fairways on to "browns" consisting of a firmly rolled mixture of oil and sand—are lower on the list of priorities, but there are signs that these sports, too, are beginning to expand.

In this oil-rich area there is certainly no lack of funds, as evidenced by the proliferation of houses, apartments, hotels, office blocks and airports. In Abu Dhabi, which is among the

six largest oil producers in the world and by far the richest of the States, an Olympic stadium is already half built—a gigantic structure rising impressively out of the desert alongside the present airport—and in Bahrain

and Sheikh Abdul Rahman Bin Rashid Al Khalifa, the president of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

Here there has been league competition among the local clubs since 1961 and a modest international tournament since 1968. In Dubai the tennis tradition is even older. During our visit they were completing the 14th annual international tournament which began with a draw of 94 men and 42 women from six nations. Although the prizes were modest, the five main trophies, presented by local companies, are valued at £1,000 each.

Local tournament chairman Dick Marshall, himself a former British army player of the 1950s, told me of ambitious

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament in the 5th of the Bahrain Tennis and Squash Federation, a brand new Supreme Court carpet was flown in from America specially for our matches.

plans to stage a \$100,000 Grand Prix tournament



# FASHION

**FREE** CATALOG LISTING OF SPECIAL ENHANCED DISCOUNTS

**YES YOUR UNCLE SAYS IT!**

**SAVE** FREE'S OFF

**TYPEWRITERS**

Dictation - Elicitation - Copying Machine

NEW, USED AND OUR OWN CALLED

**BENNETT TYPEWRITERS**

150 Madison St., 1st Floor, New York, N.Y. 10038

100 Connecticut Turnpike, Suite 200, Westport, Conn. 06880



## HOW TO SPEND IT

## Safe as houses?

A RECENT exhibition on safety in the home at the Building Centre highlighted just how dangerous a place the average house or flat can be, and though the exhibition itself is now over I thought it well worthwhile drawing readers' attention to some of the safety appliances that are now on the market.

I have chosen to illustrate three of them here but there were others that were just as useful but less photogenic. Not every house, of course, will need all of these products; how much you need them depends largely on the house itself and how fit and active the occupants are. A few, like the Sentinel, seem to me to be a must for almost everybody.

I have come across just enough of really terrible accidents caused by people who have walked into glass doors to feel that if I had a completely transparent, potentially dangerous, glass door in my house, I would seriously consider changing over to a non-splinter panel. I have to say that I don't think the Celox panel is very attractive visually but given that eye-damage, serious injury and even death have been caused by shattering clear glass, I would put the aesthetics of the matter in second place.

The panel is made from high density polystyrene in a 5.0 mm. thickness which will, apparently, withstand a much higher degree of impact than glass. It is designed to be easy to fix into any rebated pattern door. There are two sizes 610 mm. by 1830 mm. and 635 mm. by 1830 mm. The panels are about £9.50 each and can be bought from most builders' merchants and do-it-yourself shops, and especially from Laser Plastics Ltd., 10, Broomfield Works, Braemar Avenue, Neasden, London, NW10.

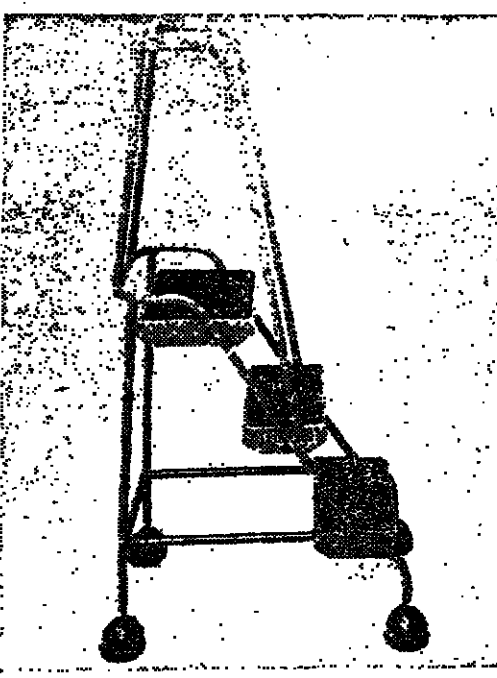
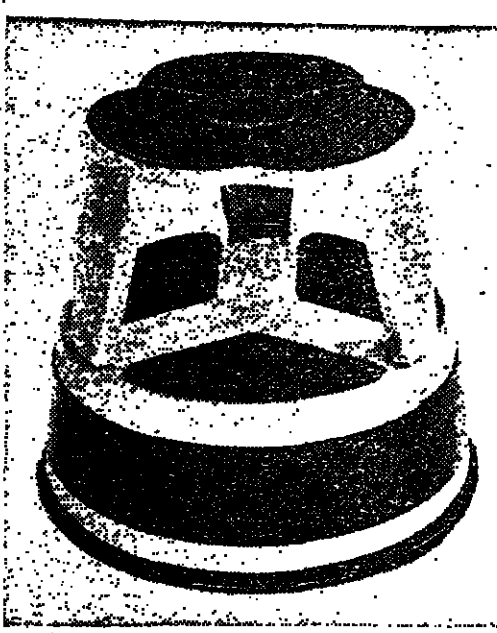
If you have an old or very handicapped person in your house, or a relation who is living alone, the Interceptor Security System may be just what you need. Basically the system allows an elderly or handicapped person to summon aid easily and quickly should they suddenly find themselves in danger, ill, unable to move or in need of help.

There is a great deal of technical data which the potential buyer would probably like to know about and which is too complicated to give here. Those interested should write to Tye Security, Dolphin Road North, Sunbury-on-Thames, Middlesex.

The basics of the system are that it can be operated by simply pressing a button. The elderly, or handicapped user should wear the unit around his neck, if up and about, or could keep it at a bedside table if bedridden. The central control unit that operates the system reacts to the push of the button and then activates the alarm. It is battery-operated and the alarm signal can take whichever form is thought most appropriate—that is, it can be linked to a bell, siren, flashing light, a telephone line or a central alarm station. It is difficult to give precise costs because individual systems vary so much but prices start at under £100 and go up to about £300. Write to Tye Security for all information.



THOSE of you who have seen a frying-pan or a pan of chips go up in flames will know just how dangerous that can be. I have seen the burns from just such an accident, when a friend tried too hastily to put the flames out himself, and it was not a pretty sight. The pain lasted for a long time, the scars forever.



If such a fire should happen to you (and it is one of the commonest causes of calls to fire brigades, accounting for one in three calls) do not throw water on the pan—the water sinks into the fat, turns to steam, increasing the volume by 2,000 times. The resulting explosion throws the burning fat into the air, thus increasing its supply of oxygen and causing the fire to spread around the kitchen.

The thing to do if such a fire should happen to you is to smother the flames with a glass fabric cloth. Tufor Safety Products of Sturminster Newton, Dorset, make such a cloth, which they call the Sentinel. It should be kept, obviously, in the kitchen, where it is encased in a pop-out rack with red tapes which help both to pull out the cloth and to protect the hands when approaching the flame. The domestic sized cloth is 31½ inches by 36 inches, and it sells for £4.97 (including p and p) from Bentalls of Kingston-on-Thames, Surrey.

NOT THE prettiest of stools but certainly one of the most practical and one of the safest is the Kik Stool. It isn't new but I think it worth bringing to the attention of readers who often have to reach up to high places, or have elderly and frail relatives or young children who tend to climb up in a dangerous way.

The stool is based on castors which makes it easy to move around but which, as soon as somebody steps on it and weight is applied to the platform, retract, allowing the plastic base to stick securely to the floor. The minute the user steps down the castors reappear. The top, needless to say, is fitted with non-slip ribbed safety tread and unlike most stools, it has ample room for both feet.

The main colour combination is silver-tone grey with black trim but it is also available in yellow, blue, green, tangerine, red and beige.

The stool gives you an extra 14 inches and costs £19.75 in grey, £20.88 in colours, inclusive of postage and packing. It can be bought direct from Ronco Sales Organisation, 81-89, East End Road, London, N2 6SR.

THIS set of mobile safety steps is made by the same company as the Kik Stool and is really a continuation of the same idea. Whereas the stool gives an extra 14 inches of height, the safety steps give up to an extra 30 inches—again with complete safety.

The version shown here has sprung castors which are totally enclosed beneath semi-spherical mounts which are fixed at each corner. The steps are made of welded steel and the steps themselves are fitted with non-slip, non-slip rubber treads. There is a three-sided hand rail for extra support.

It is £59.94, including p and p from Ronco Sales Organisation, 81-89, East End Road, London, N2 6SR.

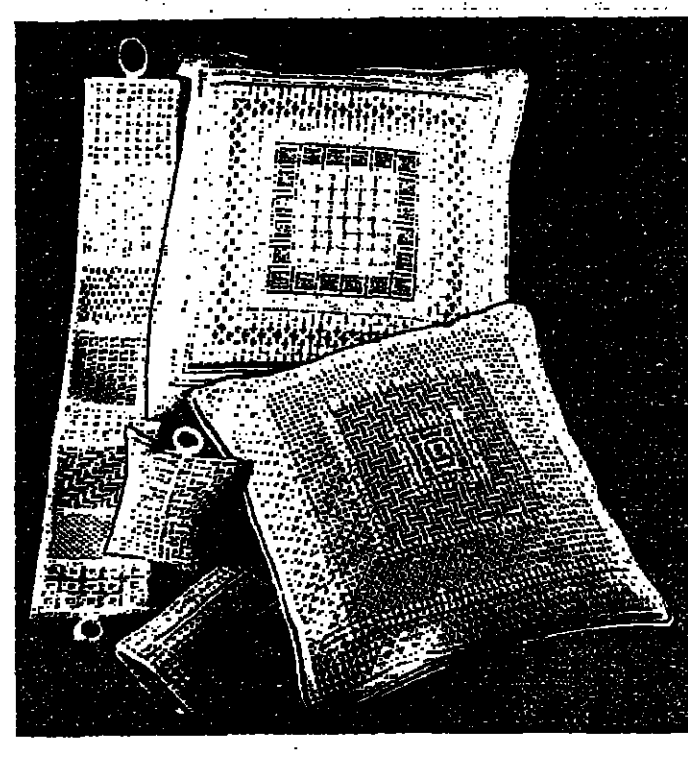
## Getting the needle

ANYBODY who has ever been to America and is remotely interested in embroidery or needlework always remarks on how much more imaginative and more interesting are the American shops that cater for the amateur needlework lover. The variety, the standard of taste, the colours of the yarn, the design of canvases—almost everything is of a much better standard than here.

Elsa Williams is an American who started her own company catering for needleworkers some twenty-five years ago. She herself traced both American and European techniques back to their sources and then developed her own collection of designs based on these techniques. She has now decided to launch her own collection on the English market so that anybody who wants to buy one of her designs has only to send £1 for her catalogue and can then order any design.

The catalogue is really far more than just that—it offers advice on stitches and techniques, lists books that will elaborate on those techniques, offers a complete range of needles, threads, wool, canvas and all the other accessories to the needlework and embroidery business. There are sections on finishing off the work, on blocking and framing as well, so it is well worth the £1 it costs.

All her designs are shown in full colour and are listed under the technique they require—

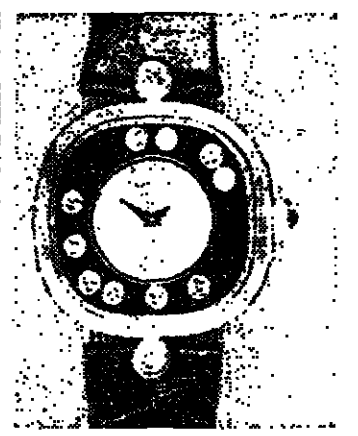


that is, crewel embroidery is all grouped together, as is Burgello, pulled thread embroidery and so on. Each technique is carefully explained together with full colour illustrations.

I have to say that I don't like all the designs personally, but then how could anyone be expected to find all 196 equally pleasing? However, for anybody who is interested in embroidery or needlework and who wants a larger and more important, different choice of canvases than those that have previously been available should find Elsa Williams' catalogue invaluable.

Whether you want to make a Cambridge carpet (price for that kit is £156.00) or a simple pulled thread cushion cover like those shown in the photograph above (£11.20 the kit for either cushion cover), Elsa Williams should be able to provide something that pleases you.

To order a catalogue—and later a canvas—write to Needle Art House, Seal Road, Basingstoke, Hants. Many shops and stores specialising in needlework will have some of the Elsa Williams' collection so it may be worth looking in at your local large department store first.



## Pretty face

I'M NOT usually enamoured of expensive watches, finding them on the whole infinitely less chic, less desirable and less useful than their humbler, more lowly priced relations. However, Kutchinsky have just brought out a new 18 ct white gold watch which, had I recently won the pools or come into some money, would be on my shopping list.

It has a nice restrained face which is decorated with 10 exquisitely simple diamonds which float freely around the black outer ring of the dial. There are two more, equally simple, diamonds, placed outside the face at the 12 o'clock and six o'clock positions.

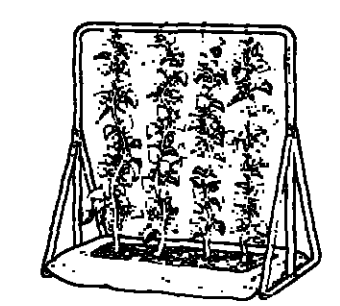
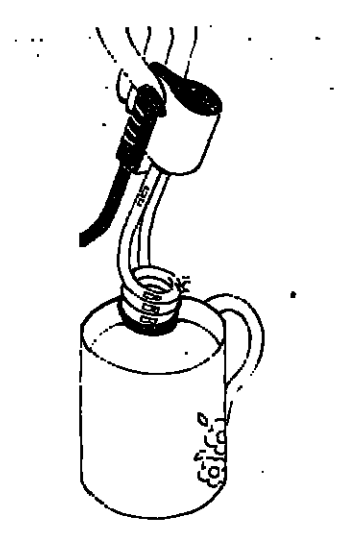
Designed by Chopard for Kutchinsky the watch may be bought in either yellow or white 18 carat gold and though I much prefer the crocodile strap, for those who prefer a dressier look, there is a bracelet as well. It costs £1,450.

## Instant brew

AS a child many of my outings were ruined by my mother's apparent inability to last longer than half an hour without stopping for a cup of tea. What she needed, of course, was the combination of a good vacuum flask (for when we were beyond the accessibility of electricity) and a little mini-boiler, like the one sketched here, for when electricity was at hand.

The mini-boiler is fitted with a universal voltage between 120 and 140 volts and allows you to heat up just the water you need—you plunge it straight into the liquid in a jug or cup and it boils up in no time.

It certainly is the ideal gadget for tea-addicts who travel abroad—you can brew your own cup first thing in the morning. The boiler is guaranteed for a year, costs £4.95 (inclusive of postage and packing) and is available direct from Binks and Tigges, 82, Water Lane, Wilmslow, Cheshire.



## Growing support

MY EARLIEST ventures into gardening were by way of the grow bag. I have to admit it wasn't a great success. The first year I tried tomatoes in a grow bag was the coldest summer on record and the length and breadth of England green tomatoes were being turned into green chumey.

The next year was the hottest on record and they seemed to die of dehydration. However, grow bags must be a good idea as everybody else seems to find them wonderful.

If you have tried growing tomatoes, cucumbers, peppers or any other climbing plant in a grow bag you will have discovered that one of the problems is providing support. This zinc-coated rust-resistant frame of steel tubing will last for years and provide just the sort of sturdy base that climbers need. You could use light stakes to provide some side support and as the plants grow taller use string or tape to hold them upright. The frame measures 3 feet 3 inches wide by 5 feet high and is one of the new pieces of gardening equipment to be found in that invaluable market booklet, The Country Gardener. Buy the frame direct from The Country Gardener, P.O. Box 54, Burton Latimer, Northants for £6.95.

## Live well

in fresh new style with handsome and exclusive designs from New Dimension. Our Polar dining table has a smart



modern look for meals with a touch of panache. Keep everything from drinks to hi-fi in our Pacific storage system,



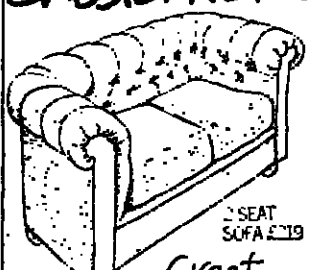
Versatile, affordable and just one of our exclusive range. Afterwards put your feet up with our new Swedish recliner in chrome and



corduroy. Or curl up with Sophie upholstered in a range of exclusive



fabrics. Likewise our new Chesterfield.



Great credit terms too at: EALING Manor Rd, West Ealing, W13. FULHAM 654 Fulham Road, SW6. ISLINGTON 53 Essex Road, N1. TEDDINGTON 180-184 High Street. BIRMINGHAM Broadgate House, Broad Street. BRIGHTON 425 66 London Road. BRISTOL College Green, Park Street. CHESTER 30 Pepper Street. EDINBURGH 111 Hanover Street. IPSWICH Tower Street. PORTSMOUTH London Rd, Copeland. SEVENOAKS 74 London Road, Riverhead. ST. ALBANS 89-95 St Peter's St.



NOW IN DEBENHAM AT: OXFORD ST. W.I. HARROW, CROYDON & ROMFORD (and MANCHESTER from next week)

New Dimension The freshest force in furnishing

## GRAINS

BY PHILIPPA DAVENPORT



cooking. Changing over to a true macrobiotic diet involves a complete rethinking of attitudes towards food. Anyone who seriously wishes to consider this is invited to write to Sunway Foods, 10, Cranks Street, London SE5 enclosing a large stamped and addressed envelope; they will send a selection of helpful leaflets together with suggested further reading on the subject.

## WHAT YOU CAN BUY

In addition to rice, the major grain crops eaten by man to-day are wheat, barley, buckwheat (also known as kasha and a completely different plant from wheat), millet, oats, rye and corn (also known as maize). The word corn is also used as a generic term to cover all these crops. Each grain is available to shoppers in a variety of forms which, crudely speaking, can be divided into four main categories: flours (which I don't propose to go into here), wholegrains, refined grains and treated grains.

Wholegrains (which are also known as berries and groats) are, in effect, as the prefix implies, grains in their complete and natural state: only the inedible outer husk has been removed. They are earthy looking and very hard; they retain full nutritional value and include all the roughage that doctors are always encouraging us to eat.

## Refined Grains

Refined grains are processed in such a way as to remove not only the inedible surface husk but also other layers and they are often polished. The result is a softer and quicker cooking grain, but most of the goodness has been lost and the end product is largely starch. Thus the refined barley (usually called pearl barley), which you buy from a grocer, and the wholegrain barley (usually called pot barley), which comes from a health food shop, are quite different when it comes to cooking and eating.

## Treated Grains

What I call treated grains are grains which have been broken up in some way. When wholegrains are treated, this has the advantage of making them quicker and more versatile to cook with minimal effect on their nutritional values. The braned varieties of breakfast oats, flaked millet, etc., as sold in grocery shops, however, are liable to be treated with chemicals to which they are then subjected to a normal everyday

case, of course, the nutritional far more striking than their values are very considerably lower. The exception of buckwheat (kasha) and millet which, small and seed-like, wheatgrains are very hard in their raw state. They are therefore best soaked for a few hours, just like pulses, before cooking. Even after cooking they remain very chewy, particularly wholegrain. Fine exercise for the healthy jaws but purgatory for anyone with false teeth.

When you want a bland background to soak up the sauce of a subtly flavoured dish, forget about wholegrains and stick to white rice, buttered noodles or potatoes. Wholegrains are somewhat obtrusive to make a suitable accompaniment for this sort of dish and, anyway, simply boiled in water or stock, I find they make pretty boring eating. On the other hand, it can make a pleasant change from the ubiquitous rice to use wholegrains sometimes in composite dishes such as casseroles, pilaffs, stuffed vegetables and salads.

I recommend you alter your basic recipe in two ways. Firstly, because other grains are so much

more substantial than rice (even brown rice) a little goes a long way—so reduce grain quantities accordingly. Secondly, be sure to include plenty of pungently flavoured ingredients, although wholegrains seem somewhat reluctant to absorb the flavours of ingredients cooked with them. Their chewy nuttiness is best when matched by the strong tastes of things such as fried onions, green peppers, bacon and cheese.

Wholegrains can be steamed or cooked in liquid. The latter is of course quicker and, I think, more practical since cooking time is inclined to be long. Use enough liquid just to cover the grains, bring to boiling point, cover with a lid and simmer until tender—the point at which the grains begin to split. You may sometimes have to add extra liquid during cooking.

It's impossible to say exactly how long wholegrains take to cook (usually somewhere between one and three hours) since the rate of swelling varies from one type of grain to another. Moreover, some grains can change from al dente to overcooked and mushy quite rapidly so you need to watch the pot like a hawk. These variations are not a reflection of quality but depend on where and in what weather conditions the grain was grown. It's a problem that anyone who uses brown rice will be familiar with and it can be overcome quite simply—providing you buy your grain at least a day ahead of planning to cook a wholegrain dish.

Open the package, test soak and cook a few spoonfuls of the grain in plain boiling water to gauge the correct timing for that particular batch, then write the details on the package itself. If you don't take this precaution

there's no way of telling whether your meal will be ready on time or hours earlier or later than you want it—which is maddening and enough to put anyone off wholegrain cookery for months!

Millet and buckwheat (kasha) are much lighter grains, still pleasantly nutty but far less chewy and less filling than other wholegrains. They don't need to be soaked and take minutes rather than hours to cook. However, test cooking a few grains is advisable first since perfect timing can vary from five to 45 minutes or more.

Millet can be used for croquettes and rissoles, to make sweet milk puddings and, with a quiche-type custard, savoury bakes. Buckwheat (kasha) is often toasted before sale although, somewhat curiously, the trade describes it as roasted. I rather like to bubble it raw, instead of nuts or crisps, with pre-dinner drinks. It's good too if sautéed with onions for a few minutes before the cooking liquid is poured into the pan. Do stay by the pan throughout cooking and whisk it away from the heat the moment the grain swells up: it's really horrid if allowed to disintegrate into a fluffy mass.

## USING TREATED WHOLEGRAINS

Treated wholegrains seem to me the most approachable for newcomers to the subject of wholegrains. They contain all the

nutritional virtues of wholegrains and are deliciously nutty and crisp. They don't need soaking, they are excellent raw, quick and easy to cook and generally speaking more versatile in their uses. Flaked grains of all kinds are, I think, particularly nice, especially the toasted varieties.

If you can't buy them toasted, do this yourself on a baking tray in the oven just as you would toast flaked almonds. I have been using toasted flaked grains to replace some of the bread-crumbs in treacle tarts and stuffings for poultry, and to replace some of the flour in sweet and savoury crumble-type toppings.

A mixture of several different types of sieved flaked grains plus chopped nuts and dried fruit makes marvellous muesli. For a crunchy cereal, omit nuts and fruit, mix the flakes with a little corn or sesame oil and honey (about three tablespoons of each for every 8oz grain) and some toasted desiccated coconut spread 1-inch deep on baking trays and bake in a low oven until golden brown. Cool quickly and store in airtight jars.

Oatmeal can be used to coat herrings, for parkin and to make a delicious ice-cream. Make a vanilla ice-cream in the usual way but scald the cream with two cinnamon sticks instead of a vanilla pod. When the ice-cream is half frozen fold in 2-ozs oatmeal and 2-ozs chopped hazelnuts (both toasted) and 1 teaspoon ground cinnamon for every pint of cream used. Rolled oats can be used for porridge, flapjacks, oatcakes and in breadmaking. But the best of all grain recipes I have tried so far is the following from Claudia Roden's Inevitable Book of Middle Eastern Food (published by Penguin).

## KIBBEH BIL SANJEH

One and a half pounds of boned and cubed lean lamb, 1 lb.burghul wheat (bulgur wheat, aka, steamed, cracked and toasted wheat), 2 large onions, 2 oz. pine nuts, olive oil, butter, ground cinnamon, salt, pepper, stock.

Adjust seasoning and pound and knead by hand until smooth and moist. Chop and fry the remaining onion in hot oil until golden and soft. Add the rest of the meat to the onion and cook until the meat changes colour. is crisp and brown,

Add a few tablespoons of stock, a generous 1-teaspoon of cinnamon and plenty of salt and pepper. Butter a baking tray and smooth half the lamb and wheat mixture (called kibbeh) over the bottom. Cover evenly with the meat and nut mixture and top with the remaining kibbeh. Cut diagonal lines across the top to make lozenge shapes and pour on 1-pound melted butter.

Bake at 375°F gas mark 4, basting occasionally with stock. Add the rest of the meat to the onion and cook until the meat changes colour. is crisp and brown,







Notes  
queaks

## THE ARTS

## Two hundred years of La Scala

Milan's Palazzo Reale is an appropriate home for the mammoth exhibition "Duecento anni alla Scala," which opened a few days ago, the great opera house, too, began with the official titles of "royal" and "ducal"; and in a sense the Palace was the theatre's birthplace. The young Umbrian architect Giuseppe Piermarini had been summoned by the Lombard capital in 1776 when the older man quit his post as official architect. Piermarini got the job, just in time to build La Scala.

That was 200 years ago, and the current bicentennial show begins its documentation of these

## EXHIBITION

WILLIAM WEAVER

Two centuries with three rooms devoted to Piermarini and the construction of his masterpiece. Fascinating original drawings illustrate the architect's attention to detail, and plans of other European theatres then standing show how bold and successful Piermarini's concept was. The greatest innovation was the horseshoe curve: in a letter to his brother, dated August 1778, (two days after the inaugural performance), the Milanese man-of-letters Pietro Verri commented: "The curve is so successful that, at any point, when you look out, you seem to be in the centre, able to observe the whole at once."

Verri's comments on the opening work, Salieri's *Europa riconosciuta*, were less enthusiastic:

"The libretto has neither head nor tail, but the performance pleases because it is always varied, the arias are short and frequent. . . . Later there are triumphs, armed hosts, 36 horses in order, battles, confagurations, duels, amphitheatres with wild beasts, Phaeton who falls thunder-struck: it is a magic lantern of badly linked objects, but they force you to pay attention."

The attention-compelling objects in the new exhibition are splendidly linked: a brief explanatory text will lead you naturally to a case full of documents, a handsome oil portrait, a bust, a print. Appropriate music plays softly in some of the rooms, as you proceed along the two-kilometre course. From Piermarini and Salieri, you move on to Mozart, Paisiello, Cimarosa, Mayr, until you reach Rossini, by way of the Bonapartes. La Scala, in fact, has always been more than just a hall where operas and ballets are performed; from Verri's time on, it has been a gathering-place for artists and

intellectuals, and it has also been a political thermometer of the city and the country.

Under French rule, La Scala produced a ballet by "citizen Lefevre" which evoked the Pope dancing amid his cardinals and, finally, casting aside his tiara to assume a Phrygian cap. Half-a-century later, when renewed Austrian dominion had become intolerable, it was the choruses of Verdi, the pages of Nabucco and Lombardi that provoked irrepressible demonstrations of national patriotism. In times of disaster, La Scala was the place for benefit concerts; in times of joy, the house expressed celebration. Fascism, too, left its mark on the theatre's programmes, which included a perhaps excessive amount of Mascagni, much-favoured by the régime also because his *Nerone* fell in with Mussolini's dreams of ancient Roman grandeur.

Two kilometres of documents, no matter how interesting, would be inevitably tiring, and Giampiero Tintori and Carlo Mezzardi — the men chiefly

responsible for the show — have made successful efforts not only to instruct but also to entertain the visitor. In the vast Hall of the Caryatids, you can learn how a set develops from sketch to model to painted canvas. And you can examine, up close, bits of scenery and props that you may previously have seen only from the stalls or the gallery. Boris Gudonov's orb and sceptre, a statue from *Aida*, armour and banners reveal their secrets. One particularly moving exhibit: two painted canvas wings for the first (posthumous) performance of *Boito's Nerone* in 1924.

Another arresting feature of the show is the multi-visual room (affording a welcome opportunity also to sit down for a while), where on nine screens you can observe the behind-the-scenes operations of the Scala workshops, the chorus, corps de ballet, orchestra.

As you walk through the colourful history behind it, but the twenty-five rooms, some large, some small, you discover

that the show is more than just a family album of La Scala (though it has all the fascination and nostalgic warmth of such an album): it is a graphically-presented history of two centuries of Italian opera, ballet, stage-design, and also of the destiny of non-Italian opera in Italy, from the first approaches to Wagner through the appearances of Richard Strauss and on to *Porgy and Bess* and *Wozzeck*. The last rooms remind you of La Scala's triumphant resurgence after its wartime destruction, its immediate recapture of the world's attention, and its present pre-eminent position.

You come out of the Palace, you walk past the facade of the Duomo, through the Galleria, and there you are in Piazza della Scala, facing the theatre itself, live, the posters announcing to-night's performance. La Scala has two centuries of colourful history behind it, but — as you feel always — it is not living in the past.



Hall of the Caryatids

## Variety bill

Two Shakespearean Sequences by P. W. Brownlow. Macmillan, £7.95, 245 pages

Shakespeare's English Kings by Peter Saccio. Oxford (paperback), £1.75, 288 pages

The Language of Modern Drama by Gareth Lloyd Evans. Dent, £6.50, 252 pages

The Plays of Edward Bond by Tony Coult. Methuen (paperback), £1.95, 57 pages

J.P.—the Man Called Mith by Peter Cotes. Paul Elek, £3.95, 100 pages

Shakespearean criticism is one of America's major exports. Professor Brownlow has assembled his sequences in chronological order of writing, *Henry VI to Richard II*, and *Pericles to Timon of Athens* (which he believes to be Shakespeare's last play).

## BOOKS

B. A. YOUNG

His attitude is anti-Romantic. He approaches the histories from what he calls a "Hamletian" point, comparing each play's relation to history as *The Murder of Gonzago* relates to Claudius's killing of his brother. The prime candidate for this treatment is *Richard II*: "I am Richard II, know ye not that?" said Queen Elizabeth when the Essex conspirators had the play performed. But Professor Brownlow indicates other references to current politics, notably in *King John*, where the king's route to the throne was all too like the reigning queen's.

He finds such references in the second sequence too, but examines also another idea, which he rejects—the autobiographical hints in the "romances," particularly *The*

*Tempest*. Professor Brownlow can't accept this play as Shakespeare's farewell to the stage; did he not co-write *Henry VIII* the next year and *The Two Noble Kinsmen* the year after that—let alone *Timon*, left unfinished at his death? This is all campus criticism, not theatre criticism, but interesting none the less: for text buffs, not actors. Shakespeare's *English Kings* by Professor Saccio, whom Professor Brownlow may have met at Dartmouth, is unconcerned with pop history, lives of Shakespeare's monarchs written in an enjoyably light vein.

"Language" in Gareth Lloyd Evans's title means not only words but *Weltanschauung*. He spreads his examination too widely to arrive at a coherent theme—*Henry VI* is still not widely enough. Much space for Yeats, none for Rattigan or Christopher Fry; only the first two Osborne plays considered; writers as unlike as O'Neill, Tennessee Williams and Edward Albee together in one class. There seems no common language for his subjects, who range chronologically from Shaw to Bond, except the English language itself.

Finally, two works of personal piety. Tony Coult begins *The Plays of Edward Bond* thus: "The fact that Edward Bond is probably this country's finest living writer is, of itself, not all that important." He thus disqualifies himself from criticism, and indeed his book proves to be no more than a thematic guide to Bond's plays, with suitably eulogistic adjectives and adverbs attached wherever possible. J.P.—the Man Called Mith is a brief memoir of J. P. Mitchell, who ran Collins Music Hall during World War One, the Duchess during the thirties, and as chairman, the London Mask Theatre in the late forties. You can see from his Mr. Cotes loved him in his title, and he certainly emerges as a worthy and generous man. But not, it must be confessed, a very interesting one.

## Schiller's Intrigue and Love

The name of Johann Christoph Friedrich Schiller may not be very well known in the world's theatre capitals, but at home he is second only to Shakespeare. Indeed, he is the greatest of German dramatists, who far outshadows his contemporary, Johann Wolfgang von Goethe, a man whose poetic talents prevented him from putting more sting into his plays. Now that the 200th anniversary of Schiller's first play is fast approaching—he wrote *Die Räuber* (The Robbers) in 1781 at the age of 22—crowds are accompanying every production of his dramas worth taking seriously. One of them is

## THEATRE

RONALD HOLLOWAY

Roland Schiller's production of *Kobold und Liebe* (Juggles and Love) at the Düsseldorf Schauspielhaus.

Schiller wrote *Intrigue and Love* in 1784 when he was 25. His desertion of the army was behind him, as well as a promising medical career. After the instant success of *The Robbers*, the drama that surpassed Goethe's *Götz von Berlichingen* as the expression of the Sturm und Drang period, the young playwright scratched to make ends meet as the house author in Mannheim. He wrote the unsuccessful *Die Verschwörung des Fiesko zu Genua* (The Conspiracy of Fiesco at Genoa) a year after *The Robbers*, but a happy ending helped to make it a flop—a recent television version indicates, however, that it is action-packed, scenes lend themselves better to a camera than a stage. Then came his second big hit with the public; a play dealing with the underhanded intrigues in the petty-minded German court.

Once again, Schiller had stepped on the aristocracy's toes. He reached back into his childhood experiences at Ludwigsburg, a castle-town near along to the inevitable. Each Stuttgart, where his father was a surgeon in the local duke's army, to castigate a mentality

## COLLECTING

## Photo fixes

BY JUNE FIELD

A READER'S inquiry that often crops up is what one's best way to document one's treasures as they begin to build up? The simplest method is of course to record basic information on loose-leaf sheets in a binder, or index-cards in a box, which can be added to as the collection grows, building up into an informal mini-catalogue.

Details should include when bought, who from, price, and then the "meat" of the entry, a brief but concise description giving period, condition, (any damage), measurements, material, pertinent reference pointers as to style and design etc., whether signed, initialed or trade marked or monogrammed. For instance, if the object is a print or lithograph, whether it is one of a limited edition, and what number in the series, while if it's a painting, whether it is a water-colour, oil (on canvas or panel), gouache, any signature and date, précis of subject matter, type of frame, and what, if any, information is on the back.

Another essential documentation is a photograph, a photographic inventory graphically complementing written information. It is also an indispensable aid for insurance should your collection be in that class, and a common-sense procedure strongly advocated by New Scotland Yard's Art and Antique Squad, who too often find that after things have gone collectors simply cannot remember even quite basic details.

A quick, no-fuss method of recording items as you acquire them is to use the "instant" photography system, which has now been perfected to such a degree that with the latest peel-apart and dry-process films you really do get an almost instant print. One of the best explanations on the technicalities of the two makes of cameras, Polaroid and Kodak, is in the February issue of *Which magazine* (available on subscription through the Consumers' Association, 14 Buckingham Street, London, W.C.2). While not exactly over-enthusiastic about instant photography, the report does give an easily understandable run-down on the various models on offer, and how they work, both with a flash and otherwise, and the sort of result you can expect.

I have used the products of both manufacturers, and it is important to remember that while they do not take the place of conventional cameras with their more complicated refinements, they do fulfil the need for which they were designed—that is, taking no-trouble instant prints, in colour or black and white.

An antique dealer who has benefited considerably, both on the sales and reference side, from instant photography is Christopher Sykes, who claims that 80 per cent of his business comes from using the system to produce his mail order catalogues. Briefly, the procedure is to take a Polaroid photograph of an article, and then paste the print onto a sheet on which the descriptive matter has already been typed. As many prints as possible in the specialist category concerned—pottery and porcelain, furniture, dolls, etc.—go on the sheets, which are then run off on a Rank Xerox 4000 machine in the desired quantity. The sheets are then stapled together to form a very basic but sufficiently informative catalogue which is updated every week as stock changes.

The sheets are sent to collectors, dealers and interior decorators all over the world, an Oklahoma dealer recently buying a pair of oils of Mississippi steamboats at £3,000 plus on the strength of a photograph.

Catalogues cost £1 each or \$4 airmail from Christopher Sykes Antiques, 11 Market Place, Woburn, Milton Keynes, Bedfordshire. Don't forget to put which subject you are interested in—for instance, "Oil Paintings and Watercolours" ranges over 120 examples of genre, marine, sporting, landscape and portraits, as well as decorative items such as shop and pub signs, advertising material and heraldic shields, while "Scientific Instruments" includes old cameras, telescopes, microscopes, barometers, surveyors' levels, sundials, sextants, clocks, watches, apothecary and medical instruments.

"Metalware" covers cooking utensils, trade tools, and "Dolls" takes in games, needlework, ivories, and how they work, both with a flash and otherwise, and the sort of result you can expect.

Naturally the system used by Tredeven, Public Relations Division, Kodak (U.K.), Kodak



Polaroid MP-4 multipurpose Land camera at Christopher Sykes Antiques, Woburn, set up to take an instant photograph of a figure of Wesley preaching from the pulpit to go in the Christopher Sykes Antiques catalogue of "Pottery and Porcelain."

sophisticated operation, using House, Station Road, Hemel Hempstead, Herts. The leaflet, Land camera, specially mounted intended to help you substantiate an insurance claim, is also appropriate for collectors, advising on organising and storing a photo-inventory of both domestic and antique pieces, as well as how to photograph small things like china, silver and well as information on how the process was developed by Dr. Edwin Land, born in Bridgeport, Connecticut, U.S., in 1909, holder of over 500 patents covering photographic and scientific devices and processes.

Kodak, who entered the "instant" field recently, have produced their own versions of "while-you-wait" cameras, too, glare spots.

To give you some ideas for photography there is *The Snapshot Photograph* by Brian Coe, curator of the Kodak Museum, and Paul Gates (Ash and Grant £3.95), a fascinating peep into photography current in family literature for s.a.e. to Ray albums from 1888 to 1939, a record of moods and fashions invaluable to researchers.

## APOLLO

Edited by Denis Sutton

## The world's leading magazine of Arts and Antiques

Published Monthly price £2.00. Annual Subscription £25.00 (Inland). Overseas Subscription £28.00. USA & Canada Air assisted \$56. Apollo Magazine, Bracken House, 10, Cannon Street, London EC4P 4BY. Tel: 01-248 8000.

## ART GALLERIES

ASH BARN now open, Spring Exhibition of paintings and sculpture, 1300 works including outdoor sculpture. Open until 10.5. Sunday 2-6. Closed Monday. Winchester Road, Stourport, Wiltshire, Hampshire. Tel: 0750 3662.

SLOANE STREET GALLERIES, 158, Sloane St., W.1. Modern paintings, sculpture and graphics by interesting international artists. Wide range of prices. Tues-Fri. 10.00-5.00. Sat. 10.00-1.00.

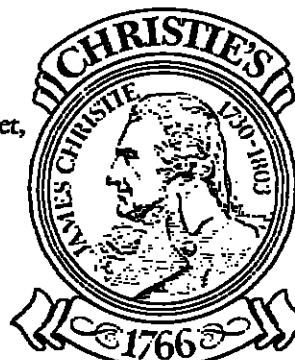
FELDMORNE GALLERIES, 61, Queensway, W.1. Modern paintings, sculpture and graphics by interesting international artists. Wide range of prices. Tues-Fri. 10.00-5.00. Sat. 10.00-1.00.

AGNEW GALLERIES, 45, Old Bond St., W.1. 629 6776. THREE CENTURIES OF BRITISH PAINTINGS. Until 23 April. Mon-Fri. 9.30-5.30. Thurs. until 7.

FOX GALLERY, Exhibition of the paintings by British and European artists from 1700-1955. 5-8, Cork Street, London, W.1. Tel: 01-734 2626. Weekdays 10-6. Sat. 10-1.

## CLUBS

EVE, 189 Regent Street, 734 0557. A la Carte or All-in Menu. Three Spectacular Floor Shows 10-11.45 and 1.15 and music of Johnny Newmarket and Friends.



8 King Street, St James's London SW1Y6QT.

Tel: (01) 839 9060  
Telex 916429  
Telegrams CHRISTIART

EXPERIENCE AND EXPERTISE



Chinese ancestor portrait, in ink and some colour on paper, 45 in. by 24 in. (114 cm. by 61 cm.)

Traditional Chinese society considered the proper veneration of one's ancestors a necessity. At its most sophisticated such veneration expressed both filial piety and deference to the accumulated experience of the past. At the popular level, ancestors were held capable of participating in the affairs of the living, and the sacrifices made before portraits and tablets erected in their honour would hopefully elicit good works on behalf of the clan. The ancestor portrait, painted after the subject's death, was constructed from information given to the artist by relatives of the deceased. The portrait of a gentleman shown above is in the Ming style and probably of the 17th century. This, and other Chinese paintings, will be included in Christie's sale of Fine Chinese Ceramics, Paintings, Bronzes and Works of Art on Monday, April 10 at 11.00 a.m. For further information on Chinese Paintings, please contact Derek Gillman at the address above.

## More of Gerald Moore

Farewell Recital by Gerald Moore. H. Hamilton, £4.95, 178 pages.

Gerald Moore's sequel to *Am I too Loud?* begins with his memorable farewell recital at the Festival Hall, in which Schwarzkopf, de los Angeles and Fischer-Dieskau assisted, while the pianist, for once, stole the limelight.

Inevitably the book is lighter than its predecessor, though Mr. Moore has not led an idle life since his official retirement. On

the contrary, recordings, lectures, master-classes, adjudications and authorship have filled the last decade most rewardingly, and these activities are described with humour and modesty. His comments on virtuoso pianists or famous conductors who become temporary accompanists are penetrating but entirely unmalicious. The final chapter contains analyses of more than 50 of Schubert's lesser known songs, of Schubert's lesser known songs, of none of them included in Mr. Moore's study of the Schubert Song Cycles.

By Elizabeth Forbes

## AMERICA'S TOP TEN TV WEEK ENDING 1/4/78

1 Three Company (comedy) (ABC) 30.0	Nielsen ratings, w/e March 26
2 Laverne and Shirley (comedy) (ABC) 26.8	7 Perry Como's Easter (Special) (ABC) 23.5
3 Mash (comedy) (CBS) 25.3	8 Soap (comedy) (ABC) 23.0
4 Charles Angels (drama) (ABC) 24.4	9 A/C Sunday Movies (SST) 22.6
5 Eight is Enough (drama) (ABC) 24.0	10 Quincy, M.E. (drama) (NBC) 22.5
6 Little House on the Prairie (drama) (NBC) 22.6	

A Nielsen rating is not a numerical total.

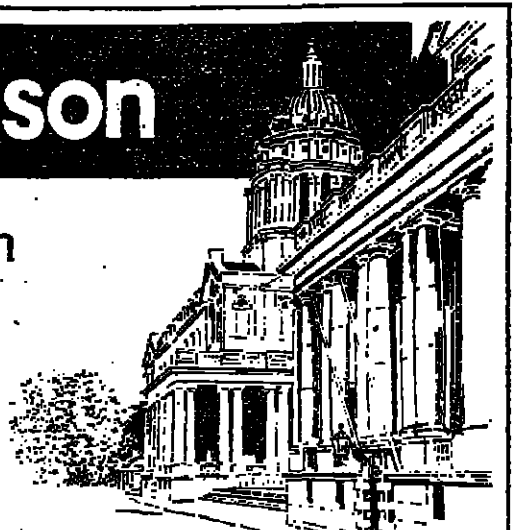
## Mobil Concert Season

Royal Naval College Chapel, Greenwich  
Thursday 27th April 1978

Soprano:  
Victoria  
de los Angeles

Five centuries  
of Spanish  
song.

Greenwich Entertainment Service. Box Office Tel: 01-854 5250





Saturday April 1 1978

## Pre-Budgetary nervousness

THE SHARP fall in sterling against all currencies in the last week has been the main feature of a week in which trading on our own securities markets has been thin. It can be read as a commentary, in more than one sense, and as a warning. The mere fact that the securities industry, like much of the rest of Britain, seems to go onto half time in the week after Easter, while the currency market in the main reacts to foreign sales of sterling, is an illustration of the lack of will to compete which is our basic economic disease. A Cambridge forecast that unless we can mend our ways, our economic growth will grind to a final halt when North Sea oil peaks was one factor lowering morale.

### Monetary events

However, the currency markets were more concerned with events in the last few weeks than forecasts for the next 12 years; and the main events which influence the currency market are monetary events. We have pointed out in the past that the recovery of the dollar could not be engineered as long as dollar credit was being created in the U.S. faster than the U.S. economy could absorb it. In the last few weeks the rate of monetary expansion in the U.S. has dropped very sharply, and the rate for Federal Funds (the equivalent of our own Minimum Lending Rate) has been edged up further — both clear signs of a sharp tightening of credit. After a few weeks of this treatment, the dollar responded, until the news of February's trade deficit, and stabilised against more important currencies (though the rise of the Japanese yen continues).

Sterling, which was used as a hedge when the dollar was weak, was always vulnerable to a dollar recovery, and the winding up of speculative positions has probably been one of the most important forces bringing the pound down again this week. However, monetary policy must be taken into account in London as well as in New York. The pound was floated at the beginning of November in order to reassert control of the money supply in the U.K. Subsequent money supply figures, especially for January and February taken

together, suggest that floating was not enough. It is possible that the figures are entirely misleading, for they have certainly been distorted by operations by the banks to amass funds before any official curb is placed on their activities; but such distortions cannot be measured, and the published figures have certainly shaken confidence.

Up to now the release of sterling to its August levels is on balance welcome to the Treasury, which was getting worried about the effect of a high rate on the growth of exports. Money market interest rates have, as usual, risen as the pound has declined, and this again is welcome up to this point. It is hard to control the money supply if credit is too cheap, or to stabilise the exchange rate unless money-market interest rates are reasonably in line with the important rates overseas. However, the Government cannot want to see an adjustment turned into a slide, as happened two years ago; and the Chancellor must therefore pay much more attention to international confidence when he rises in ten days' time than can have seemed likely in the euphoric days when he and the Prime Minister first started to make speeches about tax cuts.

### The worries

This does not mean that there need be any last-minute overhaul of fiscal policy itself, provided that it reflects the fairly cautious approach which Treasury Ministers have been stressing since the New Year. The worries are much more about monetary policy. The Governor of the Bank of England has discussed the adoption of rolling targets, and the Chancellor has spoken admiringly of German flexibility. It does make sense to allow reasonable time for adjustments in an unstable system, but the market needs reassurance that these phrases are in no sense a polite term for fudging the figures. If the Chancellor produces a reasonable and credible borrowing requirement, and insists on an unchanged or lower rate of monetary growth based firmly on past targets, the market will soon be calmer. If he goes for more expansive figures, or tries to treat recent over-expansion as water under the bridge, recent warnings could grow ominously louder.

# The un-American way of the City of London

Financial Times Saturday April 1 1978

By RICHARD LAMBERT, Financial Editor

AFTER A year and a half of thought, the City has produced its answer to the Securities and Exchange Commission, which for over 40 years has used its statutory powers to control the U.S. securities industry. That answer takes the form of a new self-regulatory body, the Council for the Securities Industry (CSI), and it is assured of a mixed reception.

In some quarters, the CSI has already been written off as just another City club, conceived and created behind closed doors at the Bank of England, and which will be dominated by the interests of financial institutions. Only three members of the 20-strong Council will specifically represent the wider public interest, and they will be appointed by the Governor of the Bank of England. No formal arrangements have been made to give the individual investor access to the Council. It is not even clear whether it is going to produce an annual report.

Yet opposition to the idea of a statutory body like the SEC is not simply confined to the City establishment. The SEC's 2,000 employees and its annual budget of \$68m. have not been enough to prevent a number of extraordinary financial scandals in the U.S. during recent years, such as the collapse of Equity Funding. Its stiff disclosure requirements help to explain why more business in international bonds did not flow back to New York after the abolition of the interest equalisation tax, and why so few major foreign corporations are registered on the New York Stock Exchange. Its heavy hand is said to be killing off the venture capital business in the U.S., and its efforts to strengthen competition in the market place by abolishing fixed commissions and working towards a single national market system have had a devastating impact on the structure of the securities industry.

If the CSI may prove a toothless City talking shop, then the SEC is a bunch of young lawyers on the make, with little continuity of control from the top. The Commission has had five different chairmen in the last seven years. Both these pictures are, of course, caricatures. Each system has its compensating virtues, and there are very real reasons why the way of regulating the U.S. securities industry should not necessarily be right for the U.K.

One is that investor protection is not an important political issue in the U.K. Two successive administrations have failed to follow through proposals to ban insider dealing. The CSI has not been created in response to any particular issue of public concern in the

regulatory area—indeed its instigators do not believe that there are any such matters of general interest requiring urgent attention.

By contrast, the SEC was formed in 1934 as a direct consequence of a decade in which the American public had opened its arms to a dazzling array of bucket shop operators, grafters, swindlers and other fraudulent types. Its first chairman was Mr. Joseph Kennedy, who became perhaps the perfect example of poacher turned gamekeeper. Its authority over the Wall Street barons became absolute after 1938, when Mr. Richard Whitney—a former president of the New York Stock Exchange—found himself up on a grand larceny charge as a result of an unwise speculation in an applejack venture in New Jersey ("Jersey Lightning").

Whereas the British Parliament takes only a spasmodic interest in the affairs of the City, the U.S. Congress has vastly augmented the SEC's role in recent years. In particular, the Securities Acts amendments of 1975 for the first time gave the Commission broad policy responsibilities for developing the future shape of the securities markets, in addition to its regulatory authority.

The explanation for these differing attitudes is that the securities industry is far more widely based in the U.S.—in social as well as geographical terms—than it is in the U.K., where the financial community is comparatively small in number and heavily concentrated in London and Edinburgh. In consequence, the British regulatory system is based on the assumption that most people know the rules and want to go on playing the game.

## Organised crime

The SEC, on the other hand, has to cope with 10 separate stock exchanges together with armies of broker-dealers spread right across the country. The National Association of Securities Dealers, which represents most of the firms active on the over-the-counter markets, has 192,000 registered representatives. In addition to overseeing the behaviour of all these legitimate participants, U.S. regulatory authorities have to face up to the activities of what is euphemistically described as organised crime. In 1976, the SEC's organised crime unit filed injunctive actions naming 23 persons, and contributed to the return of indictments naming 17 individuals and to the convictions of 35 of them.

In what is a much more litigious society than that in the

U.K., it would plainly be impossible to rely on voluntary recognition of a code of business ethics by all these people. The SEC's chief enforcement weapon is the power to apply to the courts for an injunction ordering people to obey the rules. If the terms of an injunctive decree are violated, criminal contempt proceedings may follow. In addition, the SEC can impose sanctions on firms or individuals in the securities business, ranging from a ticking off to expulsion. It can suspend trading in a stock, and insist on compliance with reporting requirements. And it can refer its files to the Department of Justice with a recommendation for criminal prosecution. At any one time, there are likely to be well over 1,000 investigations outstanding of possible violations of the acts administered by the Commission.

The CSI's powers are of necessity much less precise. This is illustrated by a key paragraph in the introductory document published by the Bank of England this week: "The bodies represented on the Council would recognise that the Council would have the right to make recommendations bearing on any aspect of the activities of their members relating to the securities industry. These bodies would also publicly recognise that such recommendations, although without legal or binding force, could not in

practice be ignored." However, the degree of control exercised by the various financial institutions represented on the Council over their own members is by no means uniform. The Council of the Stock Exchange has the powers to deal pretty sharply with members if it wants to. A discreet wink from the Bank of England would usually be enough to keep the Accepting Houses in line. But the Consultative Committee of Accountancy Bodies is a much looser federation of various interests, and there must be even more uncertainty about the authority of the representatives of the foreign banks in London and the licensed dealers, who are also to be invited to join the Council.

Moreover it is not at all clear how far the CSI will be able or willing to override the sectional interests of its various members. In a sentence that bears all the signs of having been written by a committee, one of the objectives of the new body is described as being: "To initiate new policies and codes as necessary concerning activities in the securities industry other than those properly within the domestic province of each individual constituent member." (Our italics).

So the character of the CSI will depend very heavily on the personalities of the people who are to run it. It can be as

active or as passive as it likes—thus, according to the Bank's statement, it will meet in full session "as often as required, and at least once a quarter." Its hardest job will be to decide how far it can spread its authority without risking a bloody nose. The success of the Takeover Panel (which is also based on a voluntary code, and its present form) stems from the fact that it has largely confined itself to a specific area of activity. Its few failures have occurred when it has had to take in takeover bids in which foreign interests have been involved.

## So-called scandals

The major problem will be to define where the securities industry ends and the corporate sector as a whole starts. Many so-called City scandals have nothing to do with the financial institutions represented on the CSI, and its instigators recognise that it will soon be in trouble if it is seen in the public eye as a body which ought to tackle all sorts of corporate wrongdoings.

The SEC, with its legal powers and its much wider authority, does not have to concern itself with such constraints. One example of this

came in the autumn of 1975, when the SEC stated that participation in the Arab boycott against Israel "would not be tolerated" among those subject to its regulation. It also took a strong lead in the campaign against illegal and questionable corporate payments. It is no coincidence that the only two U.K. companies to admit to improper payments have done so in connection with an SEC registration of their securities.

As a self-regulatory body, the criticism to which the CSI will be most vulnerable is that its structure underestimates the degree of outside interest involved in financial affairs. There was little public discussion about the best way to tackle the problems prior to this week's announcement—which itself was a very subdued affair—mainly because there was almost no official information available about what the plan involved.

Parts of the City still find it difficult to recognise that the public at large has any business to be concerned about its affairs. The argument is that the best long term interests of the financial community ought normally to be the same as those of its customers, and that therefore the financial community should largely be left to mind its own business.

This attitude is complacent to say the least. The hope must be that the CSI will be regarded as an important step along the road towards an effective system of self regulation rather than the final answer. One possible refinement might be to establish a completely independent and active body of expert people to serve as a kind of audit committee on the CSI. This is broadly what the accounting profession has proposed in the U.S. as part of its effort to improve its regulatory methods, and keep out of the clutches of the SEC.

In theory there is no reason why a system of self regulation need be incompatible with widespread statutory controls. Indeed this is just how the system works in the U.S.—the individual institutions regulate themselves, and the SEC's main task is to support their sanctions and check that they are doing an effective job.

But there are powerful arguments against adopting such a mixed system in the U.K. What ever its critics may claim, the SEC's function is to "promote truly competitive and efficient capital markets, capable of serving the nation's demand for new investment capital, while operating in the public interest and for the protection of investors." It must be extremely doubtful whether the health of the capital markets would be the prime objective of any such statutory body in the U.K.

## Letters to the Editor

### Rounding-up

From Mr. R. Linford.

Sir.—When the new rates of National Insurance "Not contracted-out" contributions come into force on April 6 a study of the weekly tables to be used by employers (Form CP991) will show that a nice little con trick is being worked by the Department of Health and Social Security. The overall rate of contribution for Class 1 employees is 18.5 per cent. of gross pay, divided as employee 6.5 per cent., employer 12 per cent.

At every level of pay in the tables except two the total contributions are overstated. A rounding-up of unwieldy decimal places to the next highest penny would be understandable and acceptable, but on every even number of pounds the overcharge is 5p and on every odd pound 4.5p. Even the item on which no difficulty might be expected to arise, £100, the contribution which should be £18.50 is shown as £18.55. The only correct calculations are the two exceptions mentioned above: the lowest pay level (£2.24 on £17.50) and the highest (£22.50 on £120).

These differences of a few pence per employee per week amount to some £2.47 per year. Multiplied by the total numbers of employees affected, the involuntary contributions of both employers and employees must run into several millions of pounds per year.

R. J. Linford.  
Three Spines,  
Berry Hill Road,  
Aldbury West,  
Banbury, Oxon.

### Liturgy

From Lord Sudeley.

Sir.—Your column "Men and Matters" (March 28) stated that in the House of Lords I had introduced and then withdrawn a Bill which contested the right of Bishops to alter procedure in the Church of England. In point of fact this was not the effect of the Bill.

The purpose of my Prayer Book (Ballot of Laity) Bill was to provide that parishioners should decide in a ballot whether they wished to use the Book of Common Prayer or the modern alternative services. The debate on the Treasury's reluctance for

on the Bill showed how at present the Parochial Church Council may not be consulted; where it is members of the PCC may prefer to resign rather than argue with their vicar on liturgy; and so an incumbent has often forced the modern services on a congregation which does not want them. This state of affairs is acknowledged by some of the Bishops themselves.

The Bill was the first attempt in 60 years since the passage of the Enabling Act after the First World War to introduce legislation on Church matters for Parliament to the Synod rather than the other way round. So many peers who were disturbed by this constitutional irregularity felt they could not vote for the Bill even though they endorsed its aims, and it was withdrawn. Nevertheless, the debate on the Bill was a good opportunity for the airing of grievances on the imposition of the new services, and has forced those Bishops who disliked what I was doing to sit up and take notice.

At the opening of the debate I remarked that the Worship and Doctrine Measure of 1974 which provides the present unhappy machinery for the introduction of the modern services was skillfully timed to coincide with the late Archbishop of Canterbury's seventieth birthday and retirement. Peers were so much engaged in congratulating the Archbishop on these events they were not critical enough of the measure. In his reply the Bishop of London said the suggestion of a new measure was erroneous and offensive. But in point of fact Lord Stradbroke wrote to the chairman of the Prayer Book Society he did not wish to wound the Archbishop of Canterbury on his retirement by opposing the measure, even though the measure had never been properly discussed by the laity of the Church. Several other peers commented with the chairman of the Prayer Book Society in the same vein as Lord Stradbroke.

Sudeley,  
25, Melcombe Court,  
Dorset Square, N.W.1.

### Patients

From Mrs. E. Palmer.

Sir.—Your report (March 28) alternative services. The debate on the Treasury's reluctance for

extra health service spending is not surprising. For this time any extra finance must surely be for preserving standards of patient care at ward level in the most needy areas—mentally handicapped, geriatrics and ex-war veterans.

Highlighting the drastic cuts of trained supporting staff has not been possible when the voices of those nearest the situation are ignored.

Many patients' grievances are directly related to staff shortages, ward closures, poor industrial relations, poor communications, poor organisation, abnormal turnover of staff and staff sickness levels.

All reports play these symptoms down, including the Select Committee Report on Patients' Grievances 1977-78 which failed to take evidence from even one personnel officer, a key person in a nationalised industry. (Mrs.) Eve Palmer.  
The Clock House, Byfleet,  
Surrey.

### Wealth

From Mr. G. Smith.

Sir.—Recent letters on wealth creation have made a variety of points on the basis of our economy.

One significant factor, however, is that the whole wealth creation process depends on customers who believe in piecework—they buy their requirements by the piece whether it is food or housing, shirts or skirts, suits or dresses, T.V. sets or cars. It is the way everybody trades with everybody else whether as individuals, companies or nations. If we import then we make contribution to the wealth of other nations who are changing the form or location of materials in order to create goods/services for customers. If we trade in our domestic market then we circulate the wealth within our own boundaries.

Unfortunately customers become employees whether working with their hands as operatives or their heads as managers. In this respect the customer stops believing in piecework and now, as an employee, wants to be paid for his time and skill and unfortunately not for the effort in creating goods for sale to customers by the piece.  
Geo. Wood (March 30)

suggested that the Government may have tampered with the basic rules of business to the point where the ordinary citizen does not understand the wealth creation process. The Government by means of protective legislation has also in this way affected economic reality and its understanding. Many of our behavioural policies in industry and commerce have also interfered with the process of economic reality.

Eventually we shall all have to get to grips with the fundamentals of people's economic welfare—it is based on natural resources whose form and location is changed by the use of people's skill, time and energy in using tools to create goods and services for customers by the piece. No amount of behavioural, financial or economic manipulation can change that simple fact.

G. Smith.  
Halford House,  
Cope Hill Road,  
Lower Shingler,  
Nr. Cheltenham, Glos.

### Population

From Mr. P. McDonald.

Sir.—Your excellent paper has, I suppose, a reputation as a "heavy" and it was therefore pleasing to see your attempt to print Jonathan Guinness's letter (March 28) on race relations and politics. Some of your readers, however, may not realise it was a bit of fun and may take it seriously. For them can I point out that "a large population of different races" comprises about 5 per cent. of the total population? Who then is "striking a note of actual hysteria"?

Peter McDonald.  
179 Churchhill Road,  
Hornsworth, Birmingham, 20.

### Land

From Mr. M. Brady.

Sir.—Mr. Grahame's two-part explanation (March 25) of how the individual landowner can raise his future rent by withholding his land from the market is entirely unsatisfactory. The individual landowner possesses such a small part of the total stock that, while the rental in-

come foregone from not letting a particular site will be appreciable, the increases in rent demanded for the use of his other sites will be negligible. Any increase in rent that the owner can demand after five years reflects the value placed on it then and has nothing to do with whether it has been let in the meantime.

The experiences of assessing land values in Whitstable and of land value taxation at considerably less than 100 per cent. in certain cities of the world indicate little indication of the locational chaos that would ensue if the Georgist proposal were applied by the U.K. Government throughout this country.

Mr. Minton (March 22) disregards the immense problems of estimating the ground rent of a particular site in a situation where all ground rents are entirely confiscated and distinguishing quantitatively between that portion of the gross rent which is ground rent (and therefore subject to the tax) and that portion paid for the use of buildings.

In reply to Mr. Gray (also March 22) it should be made clear that whatever beneficial effects the single tax might have on production would result from the elimination of other taxes, not from the imposition of this one. In fact, any taxation of ground rent would hamper and distort production while the 100 per cent. levy proposed would have the most dire consequences for our standard of living.

M. Brady.  
3, Elmendene Court,  
Constitution Hill,  
Woking, Surrey.

### Life

From Mr. R. Parvin.

Sir.—Your life assurance correspondent (March 25, Page 7) was obviously bitten in his youth by a high-pressure selling dog and has closed his mind to the advantages of the whole life contract ever since. We were taught to recommend it, without profits, to the under 35s (yes, Mr. Short, under 35s), because of the need for high cover when there is a dependant family

and an investment to assist with income at retirement. At first the investment element is small, but nevertheless present from the beginning, which with convertible terms it is not, and can be increased when the need for cover is not so pressing. If it is not changed, the small investment element secures repayment of more than the premiums paid on surrender at 65 if this is considered the best course, providing one chooses the company used with care.

With regard to commission, the Life Offices Association took a sledgehammer to crack a nut—all that was needed was for commission on whole life to be reduced to 1 per cent. of the sum assured, with the other 21 per cent. when the sum assured is maintained, if overselling of whole life had been the real reason for the change in commission terms. The real reason, of course, was an attempt by the direct selling offices, who are the majority on the Life Offices Association, to curb the growth of the broker offices.

Eric Short's continual sniping at brokers and the whole life contract only helps to preserve the status quo and does your readers no favours. He should turn his attentions to some of the rubbish recommended by the industrial life offices and other direct selling companies, and the harm done by bank managers, accountants and building societies in their greed. Robert A. Parvin,  
Parvin and Co.,  
2, Woodcroft,  
Greenford, Middlesex.

### Conspiracy

From Mr. A. Henfrey.

Sir.—The composition of the working party appointed by the Department of Trade to look into the "problem" of airline tickets sold at unauthorised cut rates (March 28) reminds one of Adam Smith's famous dicta that "people of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices."

Anthony W. Henfrey,  
56, Northdown Street, N.L.

## Will you have only an old age pension on retirement?

A pension isn't something you can simply leave until tomorrow. A few pounds a month now could make all the difference. If you are self-employed or in non-pensionable employment, we believe that our flexible and tax efficient Personal Retirement Plan is one of the best you can invest in.

Take a man aged 39 who decides to set aside £500 a year. His contributions qualify for full tax relief. And by the time he is 65, assuming an overall growth rate of 10%, his Plan will be worth £51,870. He can then take a tax-free lump sum of £16,237 plus an annual income for life of £4,298\* Or he can opt for an annual income for life of £7,176\*.

Contributions paid before 5 April qualify for tax relief in the current financial year.

AMEV Life Assurance Limited is part of one of Holland's top insurance groups, which has assets of over £1,400m and sums assured exceeding £6,000m. For further information complete the coupon below or ask your insurance broker for details.

\*Assuming the yield on the Financial Times 15 Year High Coupon Government Stocks Index is 12%.

**AMEV**  
British Experience — Dutch Backing  
AMEV Life Assurance Limited, 100, Abchurch Lane, London EC4N 3DF. Tel: Reigate 4101.

Please send me details of the Personal Retirement Plan.

Name \_\_\_\_\_

Address \_\_\_\_\_

مكنا من المال



BY RUPERT CORNWELL

SHARP AT 2.35 p.m. on Monday, Mr. Gwynn Roberts, Labour MP for Cannock, will be making a tiny bit of history. Not because his question to the Secretary of State for Wales, coched in the traditionally stilted terms of the Commons order paper, is anything out of the ordinary. In fact it deals with the number of Welsh speakers and what the Government is doing to aid their cause. But his inquiry will be the first moment of the new era of Parliament in the ether, and a symbol of what could prove as important a step forward since facilities were offered for newspaper reporters at Westminster in the 1830s.

Like every other advance in opening up our central democratic institution to the public gaze, it has had to be positively pressed out of MPs. It was in 1838 that the BBC first requested permission to send out Winston Churchill's Budget live. The fight has taken 52 years, but on Tuesday week Chancellor Denis Healey's Budget will be broadcast by the Corporation and its less staid commercial competitor, Independent Radio News. The years between have seen many efforts to bring radio microphones into the Chamber but only in February, 1975, was permission granted for an experimental period of sound broadcasting. That took place four months afterwards—but despite general acclaim, three more years of haggling and nipping were needed before coverage of both the Lords and Commons could start. The delay, however, is about par for the Commons course.

In the 17th and early 18th centuries the Commons devoted the same energy it had employed to keep out the King to keep out the Press. Fierce punish-

ment was meted out to offending journalists under the sanctions of Parliamentary privilege and publications like *The Gentleman's Magazine* would denote speakers by their initials, and refer to the Commons as "great Lilliput" to keep reporters out of trouble. Only after a momentous debate in 1771 did life become much easier for reporters.

But why has it taken so long to bring in radio? The real reason, once quibbling has been set aside, is that MPs are afraid of looking—or rather sounding—foolish. Until now, the general public has never enjoyed direct access: only the flavour of the place relayed secondhand by newspaper reporters, for whom familiarity with MPs has often dulled the critical instinct.

### Cosy club

Sheltered from real exposure, the Commons has continued to live in the comfortable envelope of tradition: it resembles nothing so much as a cosy London club, with its strange and outdated rules. People do behave oddly in the Chamber, and it is notable that both the broadcasting authorities involved have given assurances that the excerpts they run will appear only on "serious" programmes. The last act in the protracted authorisation wrangle was a convoluted late night debate on February 6 that ended with a vote establishing a Select Committee, under the former Labour Chief Whip, Mr. Robert Mellish, whose main task will be to see that the broadcasters behave themselves.

Despite these constraints, both the BBC and IRN believe they are on a winner. The experimental period produced a significant increase in listeners:

the BBC's "Yesterday in Parliament" saw its audience rise from some 1.1m. to 1.4m., and contrary to some expectations even TV news programmes, where the lack of television pictures of the events in the Chamber might have been expected to be a problem, gained immense impact by using recorded extracts from the original parliamentary speech.

As a result, both the BBC and IRN (which will service not only ITV but 19 independent radio stations) will be broadcasting Prime Minister's question time—the twice weekly 15-minute cameo that best depicts heavyweight political jousting—as well as important statements, votes, edited highlights and those other sudden Commons dramas that contribute so much to the vitality of the place.

This sheer unpredictability will obviously play into the hands of the smaller and nimble IRN, at the expense of its rather corpulent public service rival. The vivid approach which it plans has already been signalled with TV commercials featuring Ed Boyle (the station's political editor who looks more like a disc jockey than a Westminster reporter) promising listeners the thrills and spills of the "Jim and Maggie Show" at 3.15 every Tuesday and Thursday. But the BBC, too, knows it has to be flexible. Beyond the first week or two the shape of coverage from Westminster has not been settled—because no one is sure just how the public will react, and what its taste in listening to Our Masters' Voices will prove to be.

But both can comfort themselves with the knowledge that the Commons will provide cheap radio for the Corporation at a fixed £340,000 in start-up costs, including tape decks, studios

and so on, plus up to £275,000 a year in running expenses. For IRN the corresponding figures are just £25,000, and £100,000, including staff and the like. Predictably the BBC is coy about its staffing requirements. Its competitor claims to be putting up its total complement to 11 from four, and is mischievously suggesting that the BBC has sought no less than 140 passes for various employees at Westminster. Corporation spokesmen stone-walled and admit to no more than "20 people at any one time," in the temporary offices at No. 1 Bridge Street, immediately opposite Big Ben.

But this bickering is secondary to the changes that radio coverage may induce, not only in the disenfranchised popular view of politics and Parliament, but also—and equally important—in that institution's perceptions of itself. The first feeling on hearing a lively—but

disembodied—question time is that one has indeed been let loose in a Lilliputian asylum, where sanity counts for little and pomposity for all. (It was Thomas Carlyle who wrote of "a red tape Talking-machine and unhappy Bag of Parliamentary Eloquence.") But the listener should wait a few seconds before switching programmes.

If he immediately takes the evidence of his ears as proof that politicians are probably just knaves and scoundrels, then he might reflect on the adage that a great country was never saved by good men. If he is bemused by the shouting and disorder, he might wonder whether this formalised venting of anger has not helped keep real British politics uniquely stable in the last turbulent century.

Of course, it will be up to radio commentators to make sense out of nonsense, especially

in the supremely codified form taken by Prime Minister's questions. The order paper questions are bland—what is the Prime Minister doing to-day, when will he visit Paris, or Pudey, or Piddlington-on-Sea? The sting is in the verbal supplementary, and stock villains like Sir Keith Joseph, or Mr. Anthony Wedgwood Benn, are never referred to by name, only as the Rt. Hon. Member for Leeds North East or as the Prime Minister's Rt. Hon. Friend, the Energy Secretary. It will require some fast work by the voice-over man to make clear just who is doing what to whom, in the few seconds available between question and answer. The opposite case will be the Budget Speech, where it will tax any one's ingenuity to make Mr. Healey interesting during the ritual 45-minute preamble before a Chancellor actually gets round to his proposals.

The rest is harder to guess. It might just be (though one must strongly doubt it) that MP's will become more statesmanlike and less wordy in the Chamber in the awareness of their new audience far away. It Varley, Industry Secretary, could be (though that also is doubtful) that Ministers will feel obliged to give fuller answers to questions in the knowledge that the usual brush-off now cynically accepted by MPs could make a damaging impression in the country. One suspects that once the immediate wonder has worn off, life will go on much as before—although certain MPs ever prominent in the question time roughhouse, like Mr. Dennis Skinner for Labour, and Mr. Norman Tebbit for the Tories, could soon be national figures.

There is perhaps a danger that radio, by its inevitable concentration on the gladiatorial aspect of the Commons adds to the unreality of the visible political process. Seasoned correspondents—though not the public—know that politicians who scream at each other in the Chamber are often good friends outside it, and that differences are sometimes manufactured where in reality none exist. In short they recognise that the Commons itself is frequently a facade, an ill-attended nineteenth-century talking shop.

This is where radio coverage of Select Committees, which is likely to start later, could become so important. Already these are becoming more assertive, and their cross-party esprit more pronounced. If broadcasting is to have that salutary effect on the democratic process that its advocates believe it will, it is probably going to have to make the most of the radio coverage of Select Committees that this will be most felt.

If you believe that only by showing itself to be no longer

the executive's poodle can Parliament regain the public prestige it has lost, nothing perhaps would serve this end better than listening to Mr. Eric Varley, Industry Secretary, being grilled by MPs about those mysterious financial forecasts at British Steel, or British Leyland's disorders. It wouldn't be bad radio either.

At the very least these will be more stimulating times. But the progress towards real change is likely to be long. The advent of radio has only underlined just how much more could be done if television too were admitted. Arguments for and against radio (opposition is now fairly muted among MPs apart from irredeemable traditionalists like Mr. Enoch Powell) are doubly true for TV which, incidentally, is already used in a number of Western parliaments, either regularly or occasionally.

Technically there is no reason why TV coverage should not go ahead fairly quickly. The old objection that MPs could not function under the glare of arc-lights has been removed by the development of sophisticated Electronic News Gathering equipment which can make an adequate film in poor light. Nothing would do more to bring back Parliament into the daily mainstream of national life, and the task of explaining the arcane phrases of Parliamentary procedure would be immensely simplified.

But even the most optimistic BBC executives do not believe that television will enter the Commons for a few years yet. To keep the Press properly inside took 100 years, and radio more than 50. Even on this diminishing scale it will be in the next century before the cameras are allowed in as well.



The two men in charge of radio broadcasts from Westminster: Mr. Ed Boyle (left), Political Editor of IRN, and Mr. David Holmes, Political Editor of the BBC.

## Weekend Brief

### That tired feeling

The West Australian Tired Feeling, or WATF, is a well-known phenomenon of life in Perth brought about by the long periods of over the century temperatures in the typical summer. The symptoms, which affect young married couples particularly, but influence all age groups above the age of puberty, are in the main a marked disinclination to start the day's work coupled with persistent lassitude throughout the morning and early afternoon followed by a period of aroused interest as the end of the day's work approaches. By which time course economic activity is ceasing.

So seriously was industrial production affected during the first three months of the year that the Government's research facilities were applied to the problem under the guidance of the human behaviour discipline

of the University of West Australia.

After a detailed investigation, the team's findings showed that the extreme heat of the summer evenings inhibited most sexual activity, all but the most ardent lovers preferring to sleep alone under open windows. (Air conditioning was only just catching on in the mass of the population.) However, around 3 a.m. a cool wind from the sea, "The Perth Doctor" used to spring up, and the sleepers awake, thoroughly chilled, closed the windows and snuggled up to each other, stimulated into intense sexual activity.

The scientists decided that the WATF was undoubtedly caused by this pattern of delayed sexual activity and advised the installation of air conditioning in a number of key workers' home bedrooms on the theory that intercourse would be completed by midnight giving the rest of the selected individuals re-sounded well to treatment and their general productivity and usefulness in their jobs improved significantly.

This led the Government to subsidise the installation of air-conditioning on very favourable terms to all employed persons homes together with especially cheap rates for the electricity used.

But then an unforeseen side effect arose. Because of the cooler environment of the bed-

rooms more care was being taken of contraception and the birth rate showed definite signs of declining, which as Australia, particularly West Australia, has a very low population growth, is a matter of deep concern.

After consulting all the experts it could find the government decided on a compromise. In the interests of industrial efficiency during the three hottest months airconditioning would be free, but on April 1st every year the meters are switched on, and rather than pay, most West Australians re-lapse in to the WATF syndrome. The fall of the birthrate has been checked, but it is early days to determine if it is on the rise.

### Migrant watchers

The start of the annual migration of emmets was noted with some relief in Cornwall last week-end as they crossed the Tamar in strength for the first time since the mists descended last autumn. Anxious watchers along the riverbank that cuts off the Mebion Kernow from the rest of Britain had feared that the cold, blustery weather might have delayed their arrival or even put them off altogether. But their traditional noises, often compared to the jangle of coins in a pocket, were heard with growing stridency as the festive days passed.

There are those in Cornwall, called pessimists, who fear that fewer emmets will be seen this year and as the Duchy relies so heavily on their silver deposits for its prosperity even a few flocks fewer could cause great problems. Vast quantities of the traditional food of the migrants, such as pasties, ice-creams, sandwiches and the local meads, have been ordered and are piled up in food stores, freezer centres, cafes and pubs. If fewer emmets come who will pay for it all?

The pessimists fear the lure of the Costas, those alternative summer resting grounds. Their walls have already been heard in places called chambers of trade and the like. They also fear that many of those emmets who will come will bring their own staple foodstuffs—tinned beans, frozen hamburgers, long-life milk—with them. And that means fewer deposits as well.

Cornwall has not had an easy winter. Strange rules enacted by funny people called the bureaucrats of Brussels have made it more profitable for fishermen to come down from Scotland to scoop their mackerel out of the sea with their bigger boats. If it had not been for the Russians, sitting outside territorial waters, willing to pay for almost everything fishy for their giant floating fish factories times would be very hard.

So the watchers are anxiously looking at the sun, hoping it will soon shine because emmets respond mightily to its rays. They throw off their winter coats and lie on the long beaches in enormous numbers. There are some Cornishmen, called doubting Thomases after their Celtic cousins in Wales, who wonder if it is good for so many migrants to rest on their shores. But most of their compatriots just look at the mounting piles of silver and smile.

### Initial battles

Londoners next month will be asked to keep CALM and STAMP on environmental problems. But they will not be going to WAR over it.

This accumulation of acronyms should not be taken too literally. Rather, they represent some of the London environmental pressure groups who are fielding candidates in next month's London Borough elections.

For the first time in London many of these groups are pooling candidates and resources to fight under one umbrella—the Save London Alliance. About 100 candidates so far (more are needed before next Friday's deadline for nominations) are hoping, at best, to win enough seats to carry some influence in borough council affairs and, at worst, to poll a sufficiently impressive protest vote to make the main political parties realise the depth of feeling in the capital over environmental issues.

Alliance candidates are united in the common belief that London is rapidly becoming a disagreeable place to live. "People hate the loss not only of buildings and familiar landmarks but of small shops, whole streets and indeed whole communities," argues Gwendoline McEwen of the Alliance. "They want, more positively, a better London." A detailed manifesto is promised by the middle of this month but the strategy is to "shake-up" the present local government system in London—which is bedevilled by bureaucracy and party politics.

The Alliance itself has already fallen foul of such party politics. The Westminster Associa-

tion of Residents (WAR) has had to pull its candidates out of the elections after pressure from the area's MPs in the Commons. They argued that protest candidates put up by Labour and Liberal chances in the Borough elections (follow that logic if you can). Thus if WAR persisted in exercising its democratic rights, the MPs themselves would look less favourably on supporting WAR's environmental campaigns.

Similar, but unspecified pressure, also forced the cancellation of an Alliance press conference in a West End restaurant only hours before it was due to take place: it was held in a church instead.

The inspiration for bringing all the London environmental groups together under one banner for these elections came from SLAG—the Save London Action Group. Last time round, SLAG's major electoral success was beating the Liberals in Chelsea. This time the hope is that a co-ordinated approach will stimulate the majority of the electorate who never turn out for local elections to "shake off their apathy and vote."

The environmental groups were considerably buoyed by the recent surprise showing of their French counterparts in the recent elections; some 6 per cent of the votes went to the ecologists.

Whatever happens in next month's elections the London environment movement will undoubtedly survive to maintain its pressure from the grass roots on specific targets. The Stop Archway Menace (STAMP) group will continue to impress their brand of activism on road schemes and the Campaign Against Lorry Menace (CALM) certainly will not stay that way if the juggernauts increase.

### Viva the Press

With the launching of a couple of weeks ago of Spain's first purely economic newspaper, "Cinco Dias," Madrid now has eleven dailies including morning and evening newspapers. Spaniards' thirst for news still appears to be insatiable, although saturation point cannot be far off.

There have been other attempts at starting an economic newspaper, but they have all been short-lived. The founders of "Cinco Dias," however, feel that they stand a good chance of success. Spain's serious economic problems have hardly been off the front page of all newspapers since Franco's death despite the competition from the numerous political developments.

Once the lid of the dictatorship was off there has been a boom in weekly news magazines, party press, soft pornography, weekly historical series on Francoism, but no serious economy-orientated newspaper. "Cinco Dias" aims to fill this gap directing itself at a management type readership. With a capital of 21m. Pesetas, seven experienced economic journalists decided to launch "Cinco Dias," so named as it appears five days a week.

TO-DAY—Electricity prices increase. National Giro increases amount available on personal loans and cuts interest charge. Coal sales by metric measurement. Higher rates for British domestic air fares.

SUNDAY—Mr. Len Murray, TUC general secretary, addresses conference of National Union of Bank Employees, Sheffield University.

MONDAY—House of Commons reconvenes after Easter recess with first day of regular broadcasting. Large loaf price increases. EEC joint finance and foreign affairs council meeting, Brussels. Rating and Valuation Association action on Human Rights—results, income and expenditure (4th announcement on new rate levels).

### Economic Diary

TUESDAY—U.K. official reserves (March). Capital issues and redemptions (March). U.K. banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-March). London clearing banks' monthly statement (mid-March). Hire purchase and other instalment credit business (February). Mr. Michael Edwards, British Leyland chairman, at Foreign Press Association luncheon. EEC Foreign Ministers meet, Brussels. Two-day meeting of EEC Agriculture Ministers opens, Brussels. European Convention on Human Rights—results, income and expenditure (4th announcement on new rate levels).

Register of Shipping annual report. WEDNESDAY—Monthly meeting of National Economic Development Council. Rail pay talks resume. Housing starts and completions (February). THURSDAY—Mr. Christopher Tugendhat, EEC Commissioner, at Building Societies Association luncheon. First regional CBI conference in Cardiff. FRIDAY—Two-day European Council summit meeting opens. Copenhagen. Mr. William Whitelaw, Opposition spokesman on Home Affairs, gives details of Conservative Party policy on immigration and race relations. National income and expenditure (4th announcement on new rate levels).

## M&G RECOVERY FUND FROM £10 A MONTH

Widely acclaimed by financial journalists and investment advisers, M&G's Recovery Fund, designed to produce capital growth, ended 1977 as Britain's best-performing unit trust. It also leads over the two year and six year periods. It has a policy of buying the shares of companies that have fallen upon hard times. Many of these companies recover, and through a process of careful selection M&G has been able to bring high rewards over the years to Recovery Fund investors.

This offer enables you to start a Regular Monthly Saving Plan with the Recovery Fund through a life assurance policy for as little as £10 a month, and you are normally entitled to claim tax relief at current rates of £17 for each £100 paid. On a £10 plan, tax relief at present rates can bring down your net monthly cost to only £8.30, with which you buy units worth considerably more.

Regular investment of this type also means that you can take advantage of the inevitable fluctuations in the price of units through Pound Cost Averaging.

which gives you a positive arithmetical advantage, because your regular investment buys more units when the price is low and fewer when it is high. You also get life cover of at least 180 times your monthly payment throughout the period if your age at entry is 54 or under (women 58), and rather less to 75.

If you cash in or stop your payments during the first four years there is a penalty, and the tax authorities require us to make a deduction, so you should not consider the Plan for less than five years. 81% to 94% (depending on your starting age) is invested except in the first two years when an additional 20 per cent is retained to meet setting-up expenses. After two years, therefore, the amount invested will, in most cases, represent more than 100% of the net amount you pay after tax relief is taken into account.

Investors should regard unit trusts as a long-term investment and not suitable for money needed at short notice.

The price of units and the income from them may go down as well as up.

M&G is a member of the Life Offices' Association.

To: M&G GROUP LTD, THREE QUAYS, TOWER HILL, LONDON EC3R 6BQ. TELEPHONE: 01-626 4588.

FROM £10 A MONTH

I WISH TO INVEST £ each month in the M&G Recovery Fund.

BACKPACKING YOUR POLICY

You can backdate your policy to last April and claim tax relief on the payments (if you are over 54—women 58—you may only backdate your plan for three months).

I enclose my cheque for £ representing monthly payments (not more than twelve, or three if you are over 54, women 58), payable to M&G Trust (Assurance) Limited.

I understand that this payment is only provisional and that the company will not accept a cash unit if a full declaration of acceptance has not been issued.

NAME AND ADDRESS OF USUAL DOCTOR (to whom reference may be made)

Are you an existing M&G Plan holder? Yes/No

If you cannot sign Part I of the Declaration below, delete it and sign Part II.

Declaration PART II I declare that, to the best of my belief, I am in good health and free from disease, that I have not had any serious illness or major operation, that I do not engage in aviation except as a fare-paying passenger on recognised routes, and that no proposal on my life has ever been adversely treated.

PART II I agree that any declaration made by me in connection with this proposal shall be the basis of the contract between me and M&G Trust (Assurance) Ltd, and that I will accept their customary form of policy.

I agree to provide any further information the company may require. (A specimen of the policy form is available on request.)

SIGNATURE DATE

Registered in England No. 1048359 Reg. Office as above. This offer is not available to residents of the Republic of Ireland.

THE M&G GROUP

### Charitable thoughts

'What do the Boys' Brigade, Glyndebourne Arts Trust, and Ramblers' Association have in common? They are among the top 200 charities to which the nation contributed £143.7m. in voluntary donations in 1976.

According to the latest statistics produced by the Charities Aid Foundation they currently stand 126th, 127th, and 148th in the charities' league table—ahead of the Barristers' Benevolent Society and Brooke Hospital for Animals, Cairo, but well behind the first division leaders.

Where we put our money that year reveals much of the preoccupations of the British, and also shatters some long-standing myths. Are we not the people who are kind to animals and cruel to children? The nation which mourns the death of a love-lorn giraffe rather than pay serious heed to the chronic sick? Not if you go by the figures.

One thing stands clearly ahead of all others in the charities' race for our pennies and industry's pounds—health. We donate over twice as much to it than to any of the other major charity sectors, £52m. It is, you like, our flag day obsession. Next comes general welfare, then the young, then overseas, then the old, then God, then our furry friends, and only then our furry friends. Several lengths in the rear come the arts and educational research. Dr. Barnardo's, Save the Children, and the NSPCC all rank above the RSPCA in their total annual voluntary income.

The figures should be an object lesson to any news editor, though perhaps one the popular tabloids are less in need of than the serious Press. For

have only pensioner's retirement?

NE



# COMPANY NEWS + COMMENT

## Thomson Org. recovers to record £19.6m.

AS FORESHADOWED at midway when financial results were down from £11.1m. to £9.7m., Thomson Organisation recovered in the second half to finish 1977 with a record £19.6m. against £11.1m. an turnover ahead from £294.5m. to £320.4m.

A divisional breakdown of turnover and profit shows: national newspapers £17.1m. (£17.1m.), regional newspapers £1.5m. (£1.5m.), publishing £1.0m. (£1.0m.), and £0.6m. (£0.6m.) and £0.5m. (£0.5m.) and £0.5m. (£0.5m.).

Stated earnings advanced from an adjusted 3.74p to 5.11p per 25p share. On capital increased by a factor of one, the net dividend total is effectively raised to the maximum permitted 1.98p per share with a final of 1.98p, compared with an equivalent 1.79p for 1976 which included a special payment of 0.27p.

A property revaluation as at the year end resulted in a net surplus of £10.2m. being credited to reserves.

With effect from January 1, 1977, the group ceased providing for deferred tax on the liability that might arise if revalued properties were disposed of at net book amounts.

This is because there is no intention at present of disposing of the properties which are used by the group companies in the ordinary course of business. Consequently, £2.0m. has been transferred from deferred tax to reserves.

See Lex

**Nth. British Canadian Inv.**

Gross revenue of North British Canadian Investment Co. rose from £208.95p to £234.30p and earnings per 25p were shown up 0.3p to 2.4p for the year to February 28, 1978. At year end net asset value was highest at 69p, against 45p.

A net final dividend of 1.7p lifts the total to 2.7p (2.25p equivalent after scrip and subdivision).

With effect from January 1, 1977, the group ceased providing for deferred tax on the liability that might arise if revalued properties were disposed of at net book amounts.

This is because there is no intention at present of disposing of the properties which are used by the group companies in the ordinary course of business. Consequently, £2.0m. has been transferred from deferred tax to reserves.

See Lex

**Rising trend to continue at Grindlays**

CURRENT EXPECTATIONS are for the rising trend in profits at Grindlays Bank to continue in 1978, although it is too early to make any forecast as to the result, Mr. N. J. Robinson, chairman, says in his report with accounts.

"Although there are some areas where consolidation is to be expected, there are others where expansion is possible."

"This spread, both geographically and in the range of services available, is a useful insurance against any unforeseen or unexpected," he says.

In the year to December 31, 1977, profit of Grindlays Bank increased modestly from £30.45m. to £30.72m. before tax. Grindlays Holdings owns 51 per cent of shares and before minority interests and tax, its profit was £30.45m. (£30.23m.).

Assets of Grindlays Bank at balance date stood at £2.76bn.

**Results due next week**

The main features in next week's Stock Exchange list include full-year profit figures from Guest Keen and Nettlefolds, Bowater, Cadbury Schweppes, Taylor Woodrow, BICC and W. H. Smith, with the insurance sector featuring Sun Alliance and London Assurance and Phoenix Assurance.

Currency adjustment will influence Bowater's preliminary 1977 figures which are due to market appears to be bracing itself for some disappointing results with pre-tax profits in the £58-59m. range, against £78.5m. in 1976. This forecast suggests a lower second-half earnings after a 42 per cent advance in 1977.

The prime consideration is the appreciation of the pound, which will adversely affect profitability since about 70 per cent of profits comes from North America. But as half of its Canadian output is exported to the U.S., the forecast suggests that the weaker pound price, the lack of any newspaper price rise in the U.S. and the low level of U.K. consumer spending.

On the heels of Tube Investments' results, GKN is due to announce full-year profit on Tuesday. In the case of Tubes, profits were £5.6m. higher at £53.2m.—which was well below forecasts of a year ago. Similarly, GKN's profit prediction has been downgraded and analysts now

## DIVIDENDS ANNOUNCED

Company	Current payment	Date	Corr. payment	Total	Total last year
Blantyre Tea	35	May 26	23	58	33
Breedon & Cloud Hill	3.77	May 26	3.33	7.10	4.38
Clifford's Dairies (Hdgs.)	0.9	May 31	0.63	1.53	1.28
Dinkie Steel	1.51	May 27	1.71	3.22	1.73
Earl & Marr	0.42	July 1	0.38	0.78	0.7
E. C. Curran	1.58	July 3	1.46	3.04	1.77
Elys (Wimborne)	2.08	—	1.81	3.89	2.49
Gaskell (Barnet)	3.78	May 19	3.38	7.16	5.56
Lyle Shipping	2.5	July 3	2.19	4.69	4.42
R. Matthews	5.13	—	4.82	9.95	8.32
A. & J. Macklow	1.2	July 3	1.2	2.4	2.25
Nth. British Canadian	1.75	June 5	1.42	3.17	2.7
Edwards Senegal	1.15	May 16	1.15	2.3	2.7
Pfizer	0.53	April 28	0.78	1.31	1.78
Thomson Org.	1.09	May 12	1.07	2.16	1.73
Wandell Colliery	1.3	—	1.3	2.6	2.3

Dividends shown pence per share net except where otherwise stated. \*Equivalent after allowing for scrip issue. †Adjusted for scrip and subdivision. ‡South African cents throughout.

**Wilkinson Warburton advances**

AFTER REPORTING lower mid-year profit of £184,798 against £219,112, Wilkinson Warburton, a textile and carpet distributor, recovered in the second half to finish 1977 with a pre-tax profit of £184,798 against £184,798.

Sales for the first 24 weeks of the year were £1,234,234, an encouraging increase, say the directors, but two factors preclude accurate forecasting for the rest of the year.

Firstly, the unreliable nature of the British summer can

Secondly, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

However, the directors believe

that these difficulties will be overcome and anticipate another satisfactory result for 1978.

Stated earnings are 11.9p (11.25p) per 25p share and a final dividend of 3.51p lifts the total from 4.5p to the maximum permitted 5.11p net.

**Lyle turns in £0.87m.**

ON TURNOVER of £14.6m. against £12.05m. pre-tax profit of Lyle Shipping Company fell from £1.51m. to £0.87m. for 1977.

Profit included a higher contribution from associate companies of £1.39m. compared with £0.42m. no profit this time on the sale of ships against £2.65m. last time and associates £640,000 (nil). There was also a higher interest charge for 1977 of £2.13m. (£1.49m.).

Exchange losses on repayment of foreign currency loans came to £1.06m. (same) and for 1978 there were financing costs of £437,000. The directors' remuneration and associates £137,000 (£148,000).

Profit at half-time was £20,000 compared with a loss of £481,000 and the directors then said that second half profits were not likely

son, chairman, says in his statement with the accounts.

In the January 31, 1978 year, U.S. investments dipped from 90.4 per cent of the total £1,815m. (£270,80m.) to 84.1 per cent, and in Canada from 3 per cent to 1.8 per cent.

Mr. Jamieson says that the prospect for equity investment in the U.K. is unexciting, while in the U.S.—whatever the short-term movements may be—opportunities are far more encouraging.

Auditors Deloitte and Co. have qualified the company's accounts over its treatment of unrelieved advance corporation tax and relief from ACT.

The company's policy is to charge or deduct these items to revenue for the year after charging all dividends.

The auditors say these should be taken into account in arriving at the charge for the year, and the calculation of earnings per share. If this had been done the amount available to ordinary shareholders would have been up from

With the cable market in such a depressed state BICC will have had a disappointing 1977. The full-year profits, expected on Wednesday, are forecast to be between £48m. and £49m. (£43.48m.) and there is a suggestion that the dividend payout will not reach the maximum level permitted. Earlier forecasts of more than £50m. were trimmed

back in October after the company's tone down the optimism expressed in the interim statement and said it would be unrealistic to expect a second half improvement because the downturn in business activity worldwide had not materialised to the extent anticipated. First half profits amounted to £23.83m. against £20.33m.

Taylor Woodrow, the first of the big five contractors to report profits this year, is expected to declare between £25.5m. and £26m. for the 13 months ending December 31, compared with £21m. The contribution from the two jumbo contracts in Dubai are expected

to show a useful increase as are rents from the group's substantial property investment portfolio. There are two areas of uncertainty, however. With U.K. construction activity still very depressed

perhaps £9.4m. the overseas work in anticipation of the worsening conditions. Secondly, around two thirds of the group's profits are earned in overseas, so the acquisition being effective only from November 18, 1977.

Meanwhile, W. H. Smith, whose newspaper stands are particularly bare at the moment, is expected to announce its results for the year ended January 29, 1978, on Wednesday. For the first eight months profits were 44 per cent, higher at £4.6m. with both retailing and wholesaling activities showing progress. As the outcome for the year depends to a large extent on the level of Christmas trading. By all accounts this has gone very well and the company is expected to announce a profit of about £22m. for the year (£15.6m.).

Other results to note are preliminaries from Ocean Transport and Trading (Monday), Savoy Hotel (Tuesday), Graham Warehouses (Tuesday), Bank of Scotland (Tuesday), Morgan Crucible (Thursday) and Interims from Freemans (London S.W.9) (Monday), Mitchell Cotts (Tuesday) and Consolidated Goldfields (Wednesday).

**INTERIM DIVIDENDS**

AB Electronic Products Group

Wednesday 1.5 3.43

## Slowdown at B. Matthews

DESPITE A second half downturn from £1.85m. to £1.63m. Bernard Matthews, integrated turkey producer, reports record taxable profits for the year to January 1, 1978, of £3.64m. compared with £2.48m. last time. Profit at half-time was well ahead at £1.01m. against £0.5m. and the directors said that they expected full year's profits to show a substantial increase, although second half profits were expected to be similar to the previous year's.

Turnover for the year was up from £15.05m. to £15.48m. and profits were struck after an unchanged interest charge of £210,000. After tax of £1.4m. (£1.2m.) earnings per 25p share are shown as 30.96p (28.96p) and the dividend is lifted to 9.15p (8.23p) net with a final of 5.15p (4.82p). Dividends were waived by Mr. B. T. Matthews, the chairman, on 900,951 shares, and by Mrs. J. K. Matthews on 902,836 shares.

The chairman states that the Christmas market in the U.K. was disappointing, probably because of the abundant supply of red meat at competitive prices. This factor, coupled with difficult trading conditions in the high

street, had the unusual effect of reducing demand for turkeys at Christmas.

He says that demand for the group's further processed products continues to grow at a very satisfactory rate. Currently, production is double that of a year ago and the group is endeavouring to expand production of these products as fast as possible.

An advantage from lower feed prices is expected during this year, and these cost savings will be offset by many increases in other costs.

In current conditions the directors think that it would be unwise to make a forecast so early in the year.

**Bids and Deals on Page 20**

**Chas. Early & Marriott tops £0.5m.**

ON TURNOVER of £6.65m. against £5.2m., Charles Early & Marriott (Widney) lifted pre-tax profits for the year to January 27, 1978, from £1.02m. to a record £1.73m.

At half-time the company reported a turnover from a loss of £1,787 to a profit of £1,115 and the directors said it seemed probable that the result for the full year would be significantly better than the previous year.

The dividend is increased from 1.77p to 1.75p net per 10p share with a final of 1.66p. After tax of £264,500, against £150,000, net profit came out at £235,825 compared with £119,500.

The company manufactures Whiney blankets and Wazford floor coverings.

**Confidence at Blagden & Noakes**

Confidence in making marked progress in the major activities of Blagden and Noakes (Holdings) during the coming year, is qualified by Mr. J. E. Noakes, chairman in his statement with the report and account for the year to January 1, 1978.

Capital expenditure, he states, "will exceed £2m. for the year and the largest in history and much of it directed to increasing productive capacity in plastics moulding and protective equipment."

Mr. Noakes adds that it is early days to comment on the activities of the W. W. Ball group of companies, the acquisition being effective only from November 18, 1977.

Additional capital expenditure approved by the directors for the year jumped to £1.7m. (£0.15m.). The group's programme selling activities were reorganised during the year, and the new structure designed to expand the sale of products worldwide is now taking shape, members are told.

The chairman states that on the whole the Annan report gives a favourable verdict on ITV and the directors are confident that the prospects of Anglia should not be adversely affected to any substantial extent as a result of it.

The group also announces that it has entered into a conditional agreement to increase its effective interest in Sodastream, which manufactures and sells machines for making carbonated soft drinks in the home. The U.K. machines are marketed by Sodastream.

Accounts of Sodastream at October 31, 1977, showed profits before tax of £968,000 and net assets of £2.28m.

Associated Paper Industries has declared its offer for George M. Whaley the gold leaf and stamping foil group unconditional—having received acceptances from holders of more than 98 per cent of the Ordinary shares of Whaley.

The terms of the offer, worth around £1.1m., were seven API shares for every nine Whaley shares held in the equity. The Scottish Economic Planning Department has agreed to replace an existing £700,000 loan to Whaley with a new loan of £1m.

**UNIT TRUSTS**

The unit trust movement report that investors have been putting their money this year into two types of trusts—the U.S. income accumulation units have been consistently performing well in the tables over the high income fund. And the trusts on offer this week illustrate this feature.

One requirement of investors is a high level of income that will keep pace with inflation. A fund based on high yielding equities provides the best means of attaining this objective. If the fund is carefully selected, the initial yield can be well above the average for ordinary shares, although below that obtainable on fixed-interest Preference shares. But future dividend increases should provide a rising income, thereby providing a purchasing value of the income.

High income trusts also have attractions for investors seeking capital appreciation. The roll up of a high level of income pro-

## Northern Foods meets forecast

A 33 PER CENT jump in pre-tax placed to take advantage of its opportunities in its U.K. and overseas markets.

A current cost statement shows profit reduced to £1.78m. by additional depreciation of £0.5m. offset by a cost of sales adjustment of £275,000 and a £125,000 gearing adjustment.

The £1.78m. (£1.58m.) and stated earnings per 25p share, adjusted for the recent scrip issue, came out higher at 4.7p (3.19p). For 1976-77 year profit was a record £1.91m.

The directors point out that the midway profit this time benefited from early receipt of £1.4m. milk margin adjustments which in the past have been received in the second half. Without these adjustments the surplus would have been, on a directly comparable basis, £0.38m. and tax lower at £55,000.

After crediting £20,877 in respect of the last retrospective dividend award, pre-tax profit of £1.78m. (£1.58m.) against £1.91m. for 1977, compared with a restated £944,796 for the previous year, which included £203,033 of awards, less tax £1,580,000, a surplus of £541,743 was reported for 1978.

Turnover advanced from £18.46m. to £20.97m. and tax taken £442,561 (£422,352) to give net profit lifted changed at £233,766 (£222,444).

Stated earnings per 25p share improved from an adjusted 3.27p to 4.9p, while a dividend of 1.90p (1.50p) net compares with 1.73p (1.50p) last time and absorbs £116,897 (£106,088).

**Winston Estates higher**

Including a surplus on the sale of rental properties, taxable profit of Winston Estates in July, adjusted at 16.50p, increased from £174,115 to £223,084 in 1977. Turnover, excluding sales of rental properties, was £240,887 compared with £209,985.

Tax took £118,820 (£91,057) and attributable profit is £112,264 (£112,928).

Based on revenue profit only, earnings per 25p share are stated at 1.89p (2.04p) and including profits from the sale of properties at 2.08p (2.03p).

A final dividend of 0.85p (0.85p) net (0.794175p) makes a total of 1.27p (1.131720p).

**Slight rise in demand at Inveresk**

THE LATEST year has opened with mixed prospects for Inveresk Group, although there has been a slight improvement in the trend of demand for most of the group's products, directors say in their report with accounts.

They say that since the beginning of 1978 pulp prices have stabilised and there has been no significant variation in the exchange value of the pound against the U.S. dollar.

The group continues to be well

Dealing in the new API shares were due to start yesterday. API intends to compulsorily purchase the outstanding shares in Whitley it does not already own.

**RESIGNATIONS AT TALBEX**

Two directors of Talbex, the soap and hairdressing concern, have resigned from the Board following the acquisition of a 29 per cent stake in the group by Middle East interests. They are Mr.

**MINING NEWS**

**Dome group's 10% purchase of Denison**

CANADA'S Dome Mines and its associates are stepping up their investment and exposure in the energy field through the purchase of a 10.1 per cent equity in Denison Mines, the country's second largest uranium producer.

In effect Dome is buying the interest in Denison of a New York-based investment fund which, in turn, bought the stock in the 1960s from Noranda Mines.

Dome is sharing the purchase of the 460,700 shares of Denison for \$37.7m. (£14.8m.) (an average of \$39.96 per share) with its 57 per cent owned Campbell Red Lake Mines and 63 per cent owned Sigma Mines. The Denison shares are being bought 50 per cent by Dome, 40 per cent by Campbell and 10 per cent by Sigma.

The Dome group reports that the purchase of the equity in Denison also says that as from uranium producers' broader the October 1 last, the company has a 50 per cent stake in a venture with Johannesburg Consolidated Investment Co. Ltd. in the Orange Free State. A contribution of \$200,000 may be required for this in 1978.

**Randfontein expansion**

A FURTHER expansion of Randfontein's underground operations through the opening up of the Cooke No. 8 shaft will be considered when the new \$100m. gold-uranium plant is operational. The latter is expected to reach first production at about mid-year and a decision to proceed with the sinking of the Cooke No. 8 shaft is anticipated in the latter part of 1978.

The \$100m. uranium plant started up in the third quarter of last year and has suffered from mechanical problems. Mr. Bernard Smith, Randfontein's chairman, says that its intermittent operation "precluded any serious consideration of 1977 deliveries of the material have now commenced, but no significant revenue from this source will be reflected in the 1978 first quarter results."

Randfontein's current expenditure for the current year is expected to drop to \$30m.—excluding the possible Cooke No. 8 shaft—from \$108m. in 1977. Mr. Smith also says that as from uranium producers' broader the October 1 last, the company has a 50 per cent stake in a venture with Johannesburg Consolidated Investment Co. Ltd. in the Orange Free State. A contribution of \$200,000 may be required for this in 1978.



Foods  
ecast

Magnolia  
expands to  
£607,000

Viscose  
Develop.

TV

Radiation  
expansion

Income fund

# SUMMARY OF THE WEEK'S COMPANY NEWS

## Take-over bids and mergers

**Consolidated Plantations**, a subsidiary of Sime Darby Holdings, has made an agreed offer for the shares of Gedong Investments. It does not already own. The offer comprises 11 Consolidated Plantation shares for each 10 in Gedong Investments. Irrevocable undertakings to accept the offer have been received from holders of 35.7 per cent of Gedong in which Consolidated Plantations and associated companies already have a 44.57 per cent holding.

Recent arguments between the Boards of BOC International and Airtco, about control of the latter company, appear to have been brought to an end. BOC has announced that its stake has been increased to approximately 54 per cent of the outstanding Airtco stock by the purchase of 841,500 shares at \$444 each.

The struggle for control of Henry Wigfall continues. Comet Radiovision has received increased acceptance to its contested bid to 45.7 per cent, a level which compares with the 45 per cent, claimed by the Wigfall Board which is still firmly opposed to the offer. By Thursday's close, the share price of Wigfall had improved to 230p, which compares with the bid equivalent of about 278p per share with Comet Radiovision at 111p.

A major stake in Morgan Edwards, wholesaler and retail grocers, is to be acquired by two close associates of Mr. James Gulliver, former chief of Oriel Foods and the Fine Fare supermarket chain.

Under an agreement with RCA which took over Oriel Foods in 1974, Mr. Gulliver has been prevented from taking an interest in the food retailing sector. This agreement expires at the end of 1978 and the Morgan Edwards deal could be the vehicle for his re-entry into the U.K. food business. Subject to an extraordinary general meeting, Mr. Alistair Grant and Mr. David Webster—directors of Alpine Holdings of which Mr. Gulliver is chairman—are to buy, through a new company, Avonmiles, 625,000 New shares in Morgan Edwards at 21p each and a further 250,000 shares from the Edwards family at 20p per share. Avonmiles also has an option to buy a further 200,000 shares. The bulk of the finance for the deal is being provided by Noble Grosart.

Acceptances to the latest offer, equivalent to 76p per share, for Graff Diamonds are still short of the necessary 90 per cent, to return the company to private status. The final acceptance date has once more been extended, to April 12.

The 28p per share cash offer for 472,610 Ordinary of Dixor is now closed. Acceptances were received for 25,943 shares and a further 6,000 were acquired during the offer period. Bidders, Mr. Michael Dinsmore and others, now hold 60 per cent of the equity.

**Brown and Jackson** is diversifying out of the construction industry by the acquisition, for £1m, of the Leeds-based associated companies Harris and Benson. Combined 1977 turnover was £5.85m, with Harris, wholesaler of toiletries and household goods, contributing £5m. Benson is a wholesaler of toys and fancy goods. Harris and Benson had combined pre-tax profits last year of £319,276.

Booker McConnell is adding to its drinks interests by acquiring Italvini, the leading U.K. distributor of Italian wines. In the year to June 30 last, Italvini produced pre-tax profits of £262,610 from a turnover slightly in excess of £5m. The £1.3m. cash deal is due to be completed on April 6.

Company	Value of bid for	Price per share	Value of bid for	Price per share	Final date
BCA	125 <sup>1</sup>	123	53	1.48	A.P. Cement
Blackley's (Nallie- bale Castings)	32 <sup>1</sup>	32	48	1.5	Allied Insulators
Bury & Masco	99 <sup>1</sup>	95	80	6.42	Scapa
Cray Electronics	28 <sup>1</sup>	24	87	2.38	Spey Investments
Dawson (James)	132	127	19	5.32	J.H. Fenner
Gordon & Sons	140 <sup>1</sup>	135	125	0.47	Cons. Plants.
Gordon Johnson	24 <sup>1</sup>	18 <sup>1</sup>	15	1.6	Simon Engrg.
Stephens	48 <sup>1</sup>	48	45	0.75	Ferguson Sees.
Handlhart (A.)	230 <sup>1</sup>	230	170	1.74	Irish Ropes
Land. Aust. Invs.	144 <sup>1</sup>	126	123	10.8	Life
London Sumatra	110 <sup>1</sup>	102	98	17.5	McLeod Russell
Prop. Inv. & Fin.	110 <sup>1</sup>	106	106	4.74	Castliron Props.
Reynolds (W.J.)	45 <sup>1</sup>	41	441	1.75	Oakstone
Weston (Canada) Inc.	63 <sup>1</sup>	65	630	0.55	Seal, Estlin
White (G.M.)	37	34	11	1.1	Assos. Paper
Wigfall (H.)	278 <sup>1</sup>	230	163	14.35	Comet
Young Austen	83 <sup>1</sup>	83	66	3.4	Tratlar

\* All cash offer. \* Cash alternative. \* Partial bid. \* For capital not already held. \* Combined market capitalisation. \* Date on which scheme is expected to become operative. \*\* Based on 30/3/78. † At suspension. ‡ Estimated. §§ Shares and cash.

## PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
APV Holdings	Dec. 31	16,645	(12,607)	24.5 (24.3)
Assd. Book	Dec. 31	2,610	(2,290)	39.4 (4.18)
Aurora Hides	Dec. 31	2,510	(2,380)	21.0 (28.7)
Barton & Son	Dec. 31	3,620	(3,280)	11.7 (10.9)
BBA Group	Dec. 31	7,000	(7,485)	9.5 (10.6)
Biddle	Dec. 31	76	(940)	9.1 (8.7)
Bridon	Dec. 31	11,611	(12,283)	10.5 (18.6)
Brammer	Dec. 31	4,670	(3,137)	13.6 (11.1)
Brent Chemicals	Dec. 31	2,234	(1,339)	16.1 (13.0)
British Mohair	Dec. 31	2,410	(2,080)	10.0 (8.3)
Brown & Jackson	Dec. 31	785	(790)	5.9 (5.8)
Bruntons (M.)	Dec. 31	1,724	(2,337)	14.4 (11.4)
Brown & Jackson	Dec. 31	512	(813)	25.5 (15.7)
B. S. Budge	Dec. 31	1,000	(880)	2.5 (2.0)
De Montfort	Dec. 31	3,570	(2,680)	12.7 (12.4)
Dorland Hides	Dec. 31	1,152	(825)	18.6 (18.2)
Equity & Law	Dec. 31	1,380	(1,110)	1.1 (1.5)
Eng. Propy. Corp.	Dec. 31	9,300	(7,500)	2.8 (2.9)
Erith & Co.	Dec. 31	782	(658)	8.1 (9.8)
Fotherhill & Harvey	Dec. 31	1,051	(903)	12.5 (18.6)
J. Hewitt	Dec. 31	214	(250)	4.5 (5.8)
Home Counties	Dec. 31	865	(256)	12.5 (4.2)
House Fraser	Dec. 31	38,200	(27,680)	15.0 (17.1)
House Leroxo	Dec. 31	1,014	(1,293)	7.7 (14.5)
Kode Int'l.	Dec. 31	864	(603)	19.7 (11.5)
Ladbroke Group	Dec. 31	24,281	(15,321)	15.9 (16.9)
Laird Group	Dec. 31	9,090	(8,060)	28.8 (14.2)
Percy Lane	Dec. 31	1,246	(904)	14.4 (10.1)
Legal & General	Dec. 31	17,400	(13,900)	9.9 (8.2)
F. J. C. Lillie	Dec. 31	3,113	(2,522)	10.9 (9.8)
Lain & Manchester	Dec. 31	1,892	(1,373)	12.4 (10.2)
Magnolia	Dec. 31	607	(430)	16.6 (12.4)
Mitochondria	Dec. 31	1,200	(1,180)	6.0 (6.7)
M. Mole	Dec. 31	1,044	(82)	0.413 (0.75)
Pearl Assurance	Dec. 31	5,620	(4,720)	7.1 (12.5)
Prudential	Dec. 31	31,900	(24,400)	10.7 (8.2)
Pye Holdings	Dec. 31	31	(350)	1.6 (1.2)
H. J. Quick	Dec. 31	959	(511)	8.0 (6.2)
Reckitt & Colman	Dec. 31	57,910	(51,430)	53.3 (48.6)
Relyon P.W.S.	Dec. 31	1,280	(1,150)	9.2 (8.3)
Rotork	Dec. 31	3,220	(3,180)	20.3 (19.2)

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends* per share (p)
Royal Worcester	Dec. 31	1,000	(1,580)	5.2 (14.2)
Slough Estates	Dec. 31	8,989	(8,058)	4.6 (4.8)
Solihull Law	Dec. 31	1,307	(1,224)	3.4 (4.8)
Stone-Platt	Dec. 31	14,427	(15,609)	35.0 (38.0)
Trans. Mkt. Trust	Mar. 9	138	(480)	1.1 (11.0)
Utd. Newspapers	Dec. 31	5,370	(5,303)	49.7 (33.5)
Viscose	Dec. 31	863	(1,643)	13.1 (19.2)
Ward White	Dec. 31	2,300	(1,360)	13.2 (7.1)
Warrne, Wright	Dec. 31	1,321	(1,258)	12.3 (15.1)
Wink. Warburton	Dec. 31	646	(610)	11.9 (11.3)
Wolstenholme	Dec. 31	222	(174)	1.7 (2.0)
Wolstenholme	Dec. 31	1,402	(1,174)	27.6 (23.7)

## INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
A. Beckman	Dec. 31	875	(883)
BPM Holdings	Dec. 31	1,230	15.0
Bensher (Furture)	Sept. 30	217	(246)
Equity Inds.	Dec. 31	102	(81)
Lens Inds.	Jan. 31	27,610	(34,670)
LWT	Jan. 22	3,480	(2,330)
P. R. Martin	Dec. 31	3,779	2.0
Peterson Zochons	Nov. 30	9,179	(8,325)
Ricardo & Co.	Dec. 31	407	(227)
Sirdar	Jan. 14	884	(307)

(Figures in parentheses are for corresponding period.)  
\* Dividends shown net except where otherwise stated.  
\* Adjusted for any intervening scrip issue. † Not given. ‡ For 12 months. § For 18 months. ¶ Net. \* For 28 months throughout. L. Loss.

## Rights Issues

Brent Chemicals International: Two-for-five at 20p each.  
London and Manchester: One-for-ten at 105p each.

## Scrip Issues

Barton and Son: One-for-five.  
Dunlop Malaysian Industries: One-for-five.  
Laird Group: One-for-ten.

## Joseph Shakespeare to maintain progress

INDUSTRIAL confidence was weak towards the end of 1977. Mr. Jack Shakespeare, the chairman of Joseph Shakespeare and Co., says in his annual statement, and there are as yet, no reliable signs of any improvement, but he is satisfied that the group will maintain its relative progress in the industry.

As reported on March 11 pre-tax profits for 1977 rose from £168,391 to a record £242,929 and the dividend is lifted to 1.925p (1.735p) with a final of 1.208p.

The chairman says that despite a drop in demand in the latter part of the year, the group's factory at Old Hill was again the main profit earner. Lack of demand at the Willenhall and Shifnal factories resulted in a reduction in profits, and Benjamin Baker, the group's horse shoe manufacturer, worked well below capacity for most of the year. The group made a valuable contribution to profits, he says.

"Marginal increases in demand will significantly improve profits at all of our factories," he adds. A statement of sources and application of funds shows a decrease in bank borrowings at the year end of £128,000 compared with an increase of £223,000. Britannia Assurance Company and TFC Pension Trust each held 7.78 per cent of the issued equity. Activities of the group include the production of forges, chain saws, precision flame cuttings, chain assemblies, pressings, and machined parts for the car, commercial vehicle, tractor, railway and general engineering industries. The group is also engaged in steel stock-holding and the manufacture of horseshoes.

Meeting, Station Hotel, Dudley, on April 23 at 12.15 p.m.

## EDINBURGH AMERICAN

Edinburgh American Assets Trust announces that during the period beginning on February 1, 1978, and ending on March 31, 1978, holders of £1,613 per cent. Convertible Subordinated Loan Stock, 1978-88, intimated their wish to exercise their right on

## Fitzwilson returns to profit

FOR THE FIRST time since 1974-1975, Fitzwilson, the Dublin-based textile importing and distributing group, reports a net profit, amounting to £389,000 for the year ended December 31, 1977, struck after tax of £138,000. The result compares with a loss of £331,000 for the same period of 1976 and with a £2.32m. deficit for the corresponding part of 1975.

Reflecting the improved outlook for trading and investment activities, the directors anticipate that net profits during the next six months will be higher than those now reported. For the whole of the previous year, a £333,000 pre-tax deficit was incurred.

Pre-tax profit advanced from £105,000 to £468,000 for the half year and after tax, exceptional and extraordinary items, the available balance emerged at £361,000 (£260,000).

An interim dividend of 1.5p net is to be paid on April 17. Last year a single payment of 0.377p per 25p share followed a total of 4.801p for the previous year.

## Upsurge by Elys Wimbledon

Pre-tax profit of Elys Wimbledon, the departmental store and drapery group, jumped from £88,502 to £157,815 for the year to January 29, 1978, on higher sales of £4.66m. against £4.28m.

At halfway, when reporting a reduced loss of £9,063 (£21,357), the directors anticipated an improvement over 1976-77.

Full-year earnings are given as 6.08p (5.68p) per 25p share and the dividend total is raised from 2.49p to 2.75p net, with a 2.08p final.

Profit was struck after interest of £100,167 (£124,347) and depreciation of £54,467 (£45,425), and is subject to tax of £34,637 (£44,392). A valuation of the company's properties reflects a surplus of £1,063,345, which will be incorporated in the accounts.

## R. Cartwright rises

ON TURNOVER of £4.94m. against £3.78m. R. Cartwright (Holdings) for 1977, of £669,383 compared

with £518,440 in the previous 14 months.

After tax of £24,320 (credit £24,182), stated earnings were 7.50p (loss 11.25p) per £1 share. There is no dividend compared with 6.5p last year. The directors were extraordinary debits of £382,902.

There is no turnover for the year (£4.76m.). The directors explain that in the past turnover has been depressed by a combination of factors, including the loss of the company's subsidiary after making certain statutory contributions.

Following the sale of its sugar assets in 1976, the subsidiary has had no revenue in respect of sugar and molasses relative to 1977.

Profit before tax consists mainly of interest on short term deposits and dividends from investments.

The extraordinary item for 1977-1978 reflects the loss of the assets of the subsidiary and terminal expenses which followed the sale, also the tax adjustments consequent thereon during 1976.

In September the directors said they felt that the company was especially well placed to take advantage of any upturn in trading activity in the construction industry.

Stated earnings per 25p share were 8.97p (8.07p) and the net total dividend is raised to 4.30p (4.375p equivalent) with a final of 2.05p.

After tax of £380,974 (£361,814) the net balance emerged at £263,085 (£262,743).

## WATMOUGHS—97%

Watmoughs (Holdings) rights issue has been taken up as to 96.88 per cent. The remaining Ordinary shares have been sold on the market.

The interim dividend is increased from 0.53p to 0.59p net per 20p share on capital increased by last November's rights issue. The directors then forecast a total for the year of 2.1p, with Treasury consent, and they now say they see no necessity to vary this.

They state that there are now some indications of an upturn in the textile industry. By continued emphasis on improved marketing and production control, they expect to improve profit margins, although this can be achieved only over the longer term.

Because of the seasonal nature of many of the group's markets, profit in the second half is normally significantly greater than the first. This factor applies also to the recently acquired Brownwell companies, the directors explain.

The group's cash position remains satisfactory, they add.

Because of the seasonal nature of many of the group's markets, profit in the second half is normally significantly greater than the first. This factor applies also to the recently acquired Brownwell companies, the directors explain.

The group's cash position remains satisfactory, they add.

Because of the seasonal nature of many of the group's markets, profit in the second half is normally significantly greater than the first. This factor applies also to the recently acquired Brownwell companies, the directors explain.

The group's cash position remains satisfactory, they add.

Because of the seasonal nature of many of the group's markets, profit in the second half is normally significantly greater than the first. This factor applies also to the recently acquired Brownwell companies, the directors explain.

The group's cash position remains satisfactory, they add.

## Year of consolidation for Alexander Howden

MR. K. V. GROB, chairman of Alexander Howden Group, says in his annual statement that the current year will be one of consolidation in the U.K.

The company has largely completed the disposal programme of offices no longer required and with the present number of employees they are well placed to handle the increasing volume of business they are already seeing throughout the group.

The overseas operations, particularly in the U.S., are budgeting for good growth and will have a continuing programme of acquisitions.

As reported profit before tax for 1977 was £21,366 (£18,37m.). A current cost statement shows this reduced to £19,772 by additional depreciation of £1,594 and a £1,59m. charge resulting from the holding of net monetary assets.

For the year there was an £11,19m. increase in working capital.

Meeting, 14-20, St. Mary Axe, E.C., April 27, at noon.

ON TURNOVER of £1.65m. to £2.78m. pre-tax profits of Blantyre Te Holdings for the year to September 30, 1977, jumped from £1,017 to £1,71m. and the dividend is lifted to 50p (25p) with a final net payment of 35p, per £1 share.

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

After tax of £989,254 (£344,493), of which £355,125 (£253,597) is carried forward, the net balance emerged at £634,129 (£90,896).

The loss was struck after interest charges and exceptional debits of £738,000 (£518,000 credits), which refer mainly to a provision for redundancy costs and the effect of exchange differences on overseas assets.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.12p earnings) per £1 share.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.12p earnings) per £1 share.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.12p earnings) per £1 share.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.12p earnings) per £1 share.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.12p earnings) per £1 share.

After tax of £98,000 (£169,000), there was a net loss of £232,000 (£518,000 profit) representing a 1.35p deficit (2.



# WALL STREET + OVERSEAS MARKETS + LATEST PRICES

## Lower in light early trading

BY OUR WALL STREET CORRESPONDENT

STOCKS WERE broadly lower in light early trading on Wall Street today. The Dow Jones Industrial Average was down 3.89 at 1,347.45, and the NYSE All Common Stocks index showed a loss of 15 cents to 4,477.77.

Closing prices and market reports were not available for this edition.

The decline was in part due to continued institutional liquidation of some high-priced stocks on this last day of the quarter. Volume, at 13,386 shares, was down 1,441 on yesterday.

Sears Roebuck topped the big losers, down 1.25 to \$22.75. Other losers included Exxon, down 1.25 to \$44.75, and Lockheed, down 1.25 to \$49.75.

Pan American fell 1.25 to \$37. The company's annual report said that its problems were not over and that the debt load was still heavy.

American Motors was halted at \$41 pending a news announcement. It said later that it planned to close its plants.

THURSDAY'S ACTIVE STOCKS

Stock	Change	High	Low
American Motors	-1.25	41.00	40.00
Exxon	-1.25	44.75	43.50
Lockheed	-1.25	49.75	48.50
Pan American	-1.25	37.00	35.75
Sears Roebuck	-1.25	22.75	21.50

Real estate issues led a modest advance in early trading on Canadian Stock Markets yesterday. In Toronto the stock exchange index moved up 1.6 to 1,039.9 while in Montreal the composite index rose 0.15 to 180.75.

Golds advanced 13.4 to 1,308.2 and Metals 2.9 to 853.5, but Oils and Gas fell 4.2 to 1,708.5.

PARIS—Lower in late trading to close mixed. Compagnie Francaise de Raffinage, MUUM and DBA were among leading stocks to show gains of 3-6 per cent, while Valloire, which announced a sharply lower 1977 dividend, its parent company Denah, and Delfin Mies lost similar amounts.

BRUSSELS—Mainly higher in quiet trading. The stock exchange index closed at a 1978 "high" of 94.60.

Asturienne, Vieille Montagne, Electrofrina, G.B. UCB, Tessender-

lo, CBR and Wagons-Lits rose, while Halmat Sambre fell.

Petrofina fell 0.10 to 3.90. AMSTERDAM—Narrowly mixed in dull trading. In International, Alko, Philips and Unilever gained, while Hoogovens dropped 0.20 to 125.00 and Royal Dutch 20 cents to 125.00.

GERMANY—Firm, partly on hopes of an agreement soon to end the German metalworkers' dispute.

SWITZERLAND—Prices ended the week barely steady in listless trading.

Swiss shares showed practically no reaction to the group's report on Thursday that earnings rose slower than costs in February.

MILAN—Selectively higher in quiet trading. In Industrials, Pirelli, Sna Viscosa and Olivetti Privileged gained, while Fiat and Pirelli Spa were unchanged and Olivetti Ordinary were marginally lower.

IFT Privileged lost in firmer Financials.

OSLO—Industrials, Banking and Shipping quiet. Insurances steady. COPEHAGEN—Irregular, moderate dealings. Commodities were lower with isolated firm spots.

VIENNA—Steady, with only a few stocks showing bigger changes. Goerres rose on renewed demand, but Schwechat continued lower.

Leading Industrials edged lower, led by Semperit—down 0.10 to 94 per cent.

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

Asbestos shares gained, following annual reports. Industrials were steady underpinned by fairly substantial institutional demand.

AUSTRALIA—Prices advanced, with higher institutional and overseas buying producing strong gains in leading mines and industrials.

NEW YORK, March 31.

MADRID—Stocks maintained the recovery begun on March 21, the general index closing at 92.99 for a six-day gain of 5.11 points.

All sectors advanced, with investment trusts again above par. Gasas Freixas moved up 1.31 to 2.51 and Union yel Peñis 17 to 319.

HONG KONG—Prices resumed their rise, after easing slightly on Thursday due to profit-taking. The Hong Kong index closed at a 1978 "high" of 448.44. Volume totaled 518,322,500 (518,322,500).

There was considerable interest in second-line and leading property shares. Hong Kong Land advanced 25 cents to 518.70, after announcing on Thursday a higher 1977 dividend and profit.

TOKYO—Sharply higher in heavy trading to a new post-war high, led by incentive-backed issues. The market average gained 36.48 to a record 5,447.75, with volume totalling 740m. shares (530m.).

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

Asbestos shares gained, following annual reports. Industrials were steady underpinned by fairly substantial institutional demand.

AUSTRALIA—Prices advanced, with higher institutional and overseas buying producing strong gains in leading mines and industrials.

NEW YORK, March 31.

MADRID—Stocks maintained the recovery begun on March 21, the general index closing at 92.99 for a six-day gain of 5.11 points.

All sectors advanced, with investment trusts again above par. Gasas Freixas moved up 1.31 to 2.51 and Union yel Peñis 17 to 319.

HONG KONG—Prices resumed their rise, after easing slightly on Thursday due to profit-taking. The Hong Kong index closed at a 1978 "high" of 448.44. Volume totaled 518,322,500 (518,322,500).

There was considerable interest in second-line and leading property shares. Hong Kong Land advanced 25 cents to 518.70, after announcing on Thursday a higher 1977 dividend and profit.

TOKYO—Sharply higher in heavy trading to a new post-war high, led by incentive-backed issues. The market average gained 36.48 to a record 5,447.75, with volume totalling 740m. shares (530m.).

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

## OTHER MARKETS

### Canada edges up

Real estate issues led a modest advance in early trading on Canadian Stock Markets yesterday. In Toronto the stock exchange index moved up 1.6 to 1,039.9 while in Montreal the composite index rose 0.15 to 180.75.

Golds advanced 13.4 to 1,308.2 and Metals 2.9 to 853.5, but Oils and Gas fell 4.2 to 1,708.5.

PARIS—Lower in late trading to close mixed. Compagnie Francaise de Raffinage, MUUM and DBA were among leading stocks to show gains of 3-6 per cent, while Valloire, which announced a sharply lower 1977 dividend, its parent company Denah, and Delfin Mies lost similar amounts.

BRUSSELS—Mainly higher in quiet trading. The stock exchange index closed at a 1978 "high" of 94.60.

Asturienne, Vieille Montagne, Electrofrina, G.B. UCB, Tessender-

lo, CBR and Wagons-Lits rose, while Halmat Sambre fell.

Petrofina fell 0.10 to 3.90. AMSTERDAM—Narrowly mixed in dull trading. In International, Alko, Philips and Unilever gained, while Hoogovens dropped 0.20 to 125.00 and Royal Dutch 20 cents to 125.00.

GERMANY—Firm, partly on hopes of an agreement soon to end the German metalworkers' dispute.

SWITZERLAND—Prices ended the week barely steady in listless trading.

Swiss shares showed practically no reaction to the group's report on Thursday that earnings rose slower than costs in February.

MILAN—Selectively higher in quiet trading. In Industrials, Pirelli, Sna Viscosa and Olivetti Privileged gained, while Fiat and Pirelli Spa were unchanged and Olivetti Ordinary were marginally lower.

IFT Privileged lost in firmer Financials.

OSLO—Industrials, Banking and Shipping quiet. Insurances steady. COPEHAGEN—Irregular, moderate dealings. Commodities were lower with isolated firm spots.

VIENNA—Steady, with only a few stocks showing bigger changes. Goerres rose on renewed demand, but Schwechat continued lower.

Leading Industrials edged lower, led by Semperit—down 0.10 to 94 per cent.

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

Asbestos shares gained, following annual reports. Industrials were steady underpinned by fairly substantial institutional demand.

AUSTRALIA—Prices advanced, with higher institutional and overseas buying producing strong gains in leading mines and industrials.

NEW YORK, March 31.

MADRID—Stocks maintained the recovery begun on March 21, the general index closing at 92.99 for a six-day gain of 5.11 points.

All sectors advanced, with investment trusts again above par. Gasas Freixas moved up 1.31 to 2.51 and Union yel Peñis 17 to 319.

HONG KONG—Prices resumed their rise, after easing slightly on Thursday due to profit-taking. The Hong Kong index closed at a 1978 "high" of 448.44. Volume totaled 518,322,500 (518,322,500).

There was considerable interest in second-line and leading property shares. Hong Kong Land advanced 25 cents to 518.70, after announcing on Thursday a higher 1977 dividend and profit.

TOKYO—Sharply higher in heavy trading to a new post-war high, led by incentive-backed issues. The market average gained 36.48 to a record 5,447.75, with volume totalling 740m. shares (530m.).

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

Asbestos shares gained, following annual reports. Industrials were steady underpinned by fairly substantial institutional demand.

AUSTRALIA—Prices advanced, with higher institutional and overseas buying producing strong gains in leading mines and industrials.

NEW YORK, March 31.

MADRID—Stocks maintained the recovery begun on March 21, the general index closing at 92.99 for a six-day gain of 5.11 points.

All sectors advanced, with investment trusts again above par. Gasas Freixas moved up 1.31 to 2.51 and Union yel Peñis 17 to 319.

HONG KONG—Prices resumed their rise, after easing slightly on Thursday due to profit-taking. The Hong Kong index closed at a 1978 "high" of 448.44. Volume totaled 518,322,500 (518,322,500).

There was considerable interest in second-line and leading property shares. Hong Kong Land advanced 25 cents to 518.70, after announcing on Thursday a higher 1977 dividend and profit.

TOKYO—Sharply higher in heavy trading to a new post-war high, led by incentive-backed issues. The market average gained 36.48 to a record 5,447.75, with volume totalling 740m. shares (530m.).

JOHANNESBURG—Firm across the board in fairly active trading. Golds extended earlier gains with modest overseas interest.

Asbestos shares gained, following annual reports. Industrials were steady underpinned by fairly substantial institutional demand.

AUSTRALIA—Prices advanced, with higher institutional and overseas buying producing strong gains in leading mines and industrials.

NEW YORK, March 31.

MADRID—Stocks maintained the recovery begun on March 21, the general index closing at 92.99 for a six-day gain of 5.11 points.

All sectors advanced, with investment trusts again above par. Gasas Freixas moved up 1.31 to 2.51 and Union yel Peñis 17 to 319.

HONG KONG—Prices resumed their rise, after easing slightly on Thursday due to profit-taking. The Hong Kong index closed at a 1978 "high" of 448.44. Volume totaled 518,322,500 (518,322,500).

There was considerable interest in second-line and leading property shares. Hong Kong Land advanced 25 cents to 518.70, after announcing on Thursday a higher 1977 dividend and profit.

## Indices

### NEW YORK—DOW JONES

ally no reaction to the gr  
report on Thursday that ear  
rose slower than costs  
February.







## BIDS AND DEALS

# London Sumatra bid raised

BY JAMES BARTHOLOMEW

McLeod-Siper Plantations has increased its bid for London Sumatra from 150p to 150p per share in cash.

The new offer, worth £23.1m, will be considered by the London Sumatra Board and its advisers Robert Fleming, on Monday when an announcement will be made.

McLeod-Siper states in the offer document: "We cannot accept the value of nearly £31m placed on the Indonesian estates (equivalent to 194p per share). This represents a multiple of more than nine times 1977 net Indonesian earnings. The price tag of £31m was put on by Mr. Samuel Lee, an independent valuer commissioned by Robert Fleming."

McLeod-Siper makes no criticism of the Harrison and Crossfield group this time, in contrast to its original offer document. But despite the more polite tone, McLeod-Siper does warn that if this bid fails, the Harrison and Crossfield group will be forced to sell the shares in London Sumatra to obtain legal control. The share price would probably fall anyway if this bid fails, says McLeod-Siper, but the prospect of H and C soon reaching 50 per cent. "will further significantly undermine the share price."

Last night, however, the share price was remarkably strong and had the McLeod-Siper camp slightly puzzled. The shares went up to 142p on the announcement and then fell back. But in later dealing, they were not far beneath the new offer at 145p in the middle, up 15p on the day. It is not thought that speculators would be sufficiently confident of the success of this offer to bid the shares up to this level.

Attention now falls back on Robert Fleming as the independent advisers to London Sumatra. The merchant bank has to compare the high estimated net assets of £270m against the below average yield of 4 per cent. at the new offer price of 150p per share.

**OFFER COMING FOR CRELLON**

Shares of Crellon Holdings, the electronic component distributor, were yesterday suspended at their overnight price of 25p as the group revealed that negotiations expected to result in an offer for the whole of its issued share capital were now in an advanced stage.

At the suspension price the group is capitalised at £1.8m.

## Close finish to Comet offer

The predominant view in the stock market last night was that Comet Radiowill's energetic bid for Henry Wigfall, which closes finally at 3 o'clock to-day, will not succeed. But the uncertainty will remain until the last minute.

The proportion of acceptances plus shares already held by Comet has been gradually creeping up and at 4.57 per cent. at mid-day yesterday was much greater than most people expected a few weeks ago.

The seriousness with which the Board of Wigfall has been forced to take the offer may be reflected in the purchase of 80,000 shares by a directors' discretionary trust on Thursday. They were bought at 237p per share, most of them being non-assented shares but 15,000 assented. Notice of revocation was naturally lodged in their case.

It is thought that further acceptances came in yesterday after the 4.57 per cent. level was announced. But advisers to Comet, Kleinwort Benson, wrote to Comet yesterday that it all depends what is in the post bag to-morrow.

Wigfall's shares fell 7p to 225p, reflecting the growing belief that the bid would fail.

## PROV. LAUNDRIES MERGER OFF

Provincial Laundries is not to proceed with its bid for D. M. Lancaster, the Manchester-based textile group. Provincial said that Lancaster had failed to meet its requirements: that the bid would proceed only if it was unanimously supported by the shareholders. The Board had indicated that its support would not be forthcoming.

Provincial is seeking legal advice as to its rights following the withdrawal from the merger. Provincial is understood to have proposed to offer five of its shares for every nine Lancaster shares. Last night Lancaster's share price closed 3p down at 3p while Provincial's share price fell 3p to 10p.

## HYGRADE/BLUEBIRD TALKS BREAK DOWN

The merger negotiations between Hanson Trust's U.S. food subsidiary, Hygrade Food Products, and Bluebird Inc. have broken down. If the deal had been accomplished, Hanson would have finished up with 50 per cent. of a company with sales of nearly \$1bn. and a listing on the New York Stock Exchange.

Agreement in principle for such a merger was disclosed last December. But after protracted discussions the two sides have failed to reach final agreement.

## UNIFLEX TO ACQUIRE TI PEL

Agreement has been reached for Uniflex Holdings to acquire from Tube Investments its subsidiary company TI Pel.

The merger will give Pel, a major manufacturer of school and office furniture, access to considerable wood-based furniture technology, as well as to other related specialist expertise. Its turnover in 1977 was £53m.

## CLEVELAND BRIDGE BUYS STEVENSON

Cleveland Bridge and Engineering Company has purchased Robert Stevenson for £130,000. Stevenson is based in Cornwall and specialises in the design, fabrication and erection of steel frame works for multi-storey and portal frame buildings. It produces some 8,000 tonnes of steel work annually.

It is intended that Stevenson should continue to trade as a separate entity and to provide continuing employment prospects for its existing work force.

The receiver and manager of Stevenson, Messrs. J. and J. de la Touche Ross and Co. has been discharged.

## WESTMINSTER AND COUNTRY PROPS.

R. M. Wilson (Builders), Ronald Wilson (Properties) and Wilson Investments, wholly-owned subsidiaries of Westminster and Country Properties, have announced that negotiations have reached an advanced stage for the sale of their residential development properties, together with their office premises to French House Construction of houses already commenced will continue as programmed. A further announcement will be made as soon as possible giving details of the outcome of the negotiations.

## ALEX. STEPHEN

Alexander Stephen the ship repairing and engineering group has now received court approval for the renunciation of its preference capital in full and the reduction in Ordinary capital by the payment of 24p in respect of each 25p ordinary stock unit.

The Board is advising holders of the reduced Ordinary stock that the residual value in the company will be in the order of 10p per stock unit—exclusive of property which could be of "considerable value" if an interested buyer could be found.

## CORPORATIONS (54)

**FREE OF STAMP DUTY**

London Corp. 30c 24p, 50c 24p, 100c 24p, 150c 24p, 200c 24p, 250c 24p, 300c 24p, 350c 24p, 400c 24p, 450c 24p, 500c 24p, 550c 24p, 600c 24p, 650c 24p, 700c 24p, 750c 24p, 800c 24p, 850c 24p, 900c 24p, 950c 24p, 1000c 24p, 1050c 24p, 1100c 24p, 1150c 24p, 1200c 24p, 1250c 24p, 1300c 24p, 1350c 24p, 1400c 24p, 1450c 24p, 1500c 24p, 1550c 24p, 1600c 24p, 1650c 24p, 1700c 24p, 1750c 24p, 1800c 24p, 1850c 24p, 1900c 24p, 1950c 24p, 2000c 24p, 2050c 24p, 2100c 24p, 2150c 24p, 2200c 24p, 2250c 24p, 2300c 24p, 2350c 24p, 2400c 24p, 2450c 24p, 2500c 24p, 2550c 24p, 2600c 24p, 2650c 24p, 2700c 24p, 2750c 24p, 2800c 24p, 2850c 24p, 2900c 24p, 2950c 24p, 3000c 24p, 3050c 24p, 3100c 24p, 3150c 24p, 3200c 24p, 3250c 24p, 3300c 24p, 3350c 24p, 3400c 24p, 3450c 24p, 3500c 24p, 3550c 24p, 3600c 24p, 3650c 24p, 3700c 24p, 3750c 24p, 3800c 24p, 3850c 24p, 3900c 24p, 3950c 24p, 4000c 24p, 4050c 24p, 4100c 24p, 4150c 24p, 4200c 24p, 4250c 24p, 4300c 24p, 4350c 24p, 4400c 24p, 4450c 24p, 4500c 24p, 4550c 24p, 4600c 24p, 4650c 24p, 4700c 24p, 4750c 24p, 4800c 24p, 4850c 24p, 4900c 24p, 4950c 24p, 5000c 24p, 5050c 24p, 5100c 24p, 5150c 24p, 5200c 24p, 5250c 24p, 5300c 24p, 5350c 24p, 5400c 24p, 5450c 24p, 5500c 24p, 5550c 24p, 5600c 24p, 5650c 24p, 5700c 24p, 5750c 24p, 5800c 24p, 5850c 24p, 5900c 24p, 5950c 24p, 6000c 24p, 6050c 24p, 6100c 24p, 6150c 24p, 6200c 24p, 6250c 24p, 6300c 24p, 6350c 24p, 6400c 24p, 6450c 24p, 6500c 24p, 6550c 24p, 6600c 24p, 6650c 24p, 6700c 24p, 6750c 24p, 6800c 24p, 6850c 24p, 6900c 24p, 6950c 24p, 7000c 24p, 7050c 24p, 7100c 24p, 7150c 24p, 7200c 24p, 7250c 24p, 7300c 24p, 7350c 24p, 7400c 24p, 7450c 24p, 7500c 24p, 7550c 24p, 7600c 24p, 7650c 24p, 7700c 24p, 7750c 24p, 7800c 24p, 7850c 24p, 7900c 24p, 7950c 24p, 8000c 24p, 8050c 24p, 8100c 24p, 8150c 24p, 8200c 24p, 8250c 24p, 8300c 24p, 8350c 24p, 8400c 24p, 8450c 24p, 8500c 24p, 8550c 24p, 8600c 24p, 8650c 24p, 8700c 24p, 8750c 24p, 8800c 24p, 8850c 24p, 8900c 24p, 8950c 24p, 9000c 24p, 9050c 24p, 9100c 24p, 9150c 24p, 9200c 24p, 9250c 24p, 9300c 24p, 9350c 24p, 9400c 24p, 9450c 24p, 9500c 24p, 9550c 24p, 9600c 24p, 9650c 24p, 9700c 24p, 9750c 24p, 9800c 24p, 9850c 24p, 9900c 24p, 9950c 24p, 10000c 24p, 10050c 24p, 10100c 24p, 10150c 24p, 10200c 24p, 10250c 24p, 10300c 24p, 10350c 24p, 10400c 24p, 10450c 24p, 10500c 24p, 10550c 24p, 10600c 24p, 10650c 24p, 10700c 24p, 10750c 24p, 10800c 24p, 10850c 24p, 10900c 24p, 10950c 24p, 11000c 24p, 11050c 24p, 11100c 24p, 11150c 24p, 11200c 24p, 11250c 24p, 11300c 24p, 11350c 24p, 11400c 24p, 11450c 24p, 11500c 24p, 11550c 24p, 11600c 24p, 11650c 24p, 11700c 24p, 11750c 24p, 11800c 24p, 11850c 24p, 11900c 24p, 11950c 24p, 12000c 24p, 12050c 24p, 12100c 24p, 12150c 24p, 12200c 24p, 12250c 24p, 12300c 24p, 12350c 24p, 12400c 24p, 12450c 24p, 12500c 24p, 12550c 24p, 12600c 24p, 12650c 24p, 12700c 24p, 12750c 24p, 12800c 24p, 12850c 24p, 12900c 24p, 12950c 24p, 13000c 24p, 13050c 24p, 13100c 24p, 13150c 24p, 13200c 24p, 13250c 24p, 13300c 24p, 13350c 24p, 13400c 24p, 13450c 24p, 13500c 24p, 13550c 24p, 13600c 24p, 13650c 24p, 13700c 24p, 13750c 24p, 13800c 24p, 13850c 24p, 13900c 24p, 13950c 24p, 14000c 24p, 14050c 24p, 14100c 24p, 14150c 24p, 14200c 24p, 14250c 24p, 14300c 24p, 14350c 24p, 14400c 24p, 14450c 24p, 14500c 24p, 14550c 24p, 14600c 24p, 14650c 24p, 14700c 24p, 14750c 24p, 14800c 24p, 14850c 24p, 14900c 24p, 14950c 24p, 15000c 24p, 15050c 24p, 15100c 24p, 15150c 24p, 15200c 24p, 15250c 24p, 15300c 24p, 15350c 24p, 15400c 24p, 15450c 24p, 15500c 24p, 15550c 24p, 15600c 24p, 15650c 24p, 15700c 24p, 15750c 24p, 15800c 24p, 15850c 24p, 15900c 24p, 15950c 24p, 16000c 24p, 16050c 24p, 16100c 24p, 16150c 24p, 16200c 24p, 16250c 24p, 16300c 24p, 16350c 24p, 16400c 24p, 16450c 24p, 16500c 24p, 16550c 24p, 16600c 24p, 16650c 24p, 16700c 24p, 16750c 24p, 16800c 24p, 16850c 24p, 16900c 24p, 16950c 24p, 17000c 24p, 17050c 24p, 17100c 24p, 17150c 24p, 17200c 24p, 17250c 24p, 17300c 24p, 17350c 24p, 17400c 24p, 17450c 24p, 17500c 24p, 17550c 24p, 17600c 24p, 17650c 24p, 17700c 24p, 17750c 24p, 17800c 24p, 17850c 24p, 17900c 24p, 17950c 24p, 18000c 24p, 18050c 24p, 18100c 24p, 18150c 24p, 18200c 24p, 18250c 24p, 18300c 24p, 18350c 24p, 18400c 24p, 18450c 24p, 18500c 24p, 18550c 24p, 18600c 24p, 18650c 24p, 18700c 24p, 18750c 24p, 18800c 24p, 18850c 24p, 18900c 24p, 18950c 24p, 19000c 24p, 19050c 24p, 19100c 24p, 19150c 24p, 19200c 24p, 19250c 24p, 19300c 24p, 19350c 24p, 19400c 24p, 19450c 24p, 19500c 24p, 19550c 24p, 19600c 24p, 19650c 24p, 19700c 24p, 19750c 24p, 19800c 24p, 19850c 24p, 19900c 24p, 19950c 24p, 20000c 24p, 20050c 24p, 20100c 24p, 20150c 24p, 20200c 24p, 20250c 24p, 20300c 24p, 20350c 24p, 20400c 24p, 20450c 24p, 20500c 24p, 20550c 24p, 20600c 24p, 20650c 24p, 20700c 24p, 20750c 24p, 20800c 24p, 20850c 24p, 20900c 24p, 20950c 24p, 21000c 24p, 21050c 24p, 21100c 24p, 21150c 24p, 21200c 24p, 21250c 24p, 21300c 24p, 21350c 24p, 21400c 24p, 21450c 24p, 21500c 24p, 21550c 24p, 21600c 24p, 21650c 24p, 21700c 24p, 21750c 24p, 21800c 24p, 21850c 24p, 21900c 24p, 21950c 24p, 22000c 24p, 22050c 24p, 22100c 24p, 22150c 24p, 22200c 24p, 22250c 24p, 22300c 24p, 22350c 24p, 22400c 24p, 22450c 24p, 22500c 24p, 22550c 24p, 22600c 24p, 22650c 24p, 22700c 24p, 22750c 24p, 22800c 24p, 22850c 24p, 22900c 24p, 22950c 24p, 23000c 24p, 23050c 24p, 23100c 24p, 23150c 24p, 23200c 24p, 23250c 24p, 23300c 24p, 23350c 24p, 23400c 24p, 23450c 24p, 23500c 24p, 23550c 24p, 23600c 24p, 23650c 24p, 23700c 24p, 23750c 24p, 23800c 24p, 23850c 24p, 23900c 24p, 23950c 24p, 24000c 24p, 24050c 24p, 24100c 24p, 24150c 24p, 24200c 24p, 24250c 24p, 24300c 24p, 24350c 24p, 24400c 24p, 24450c 24p, 24500c 24p, 24550c 24p, 24600c 24p, 24650c 24p, 24700c 24p, 24750c 24p, 24800c 24p, 24850c 24p, 24900c 24p, 24950c 24p, 25000c 24p, 25050c 24p, 25100c 24p, 25150c 24p, 25200c 24p, 25250c 24p, 25300c 24p, 25350c 24p, 25400c 24p, 25450c 24p, 25500c 24p, 25550c 24p, 25600c 24p, 25650c 24p, 25700c 24p, 25750c 24p, 25800c 24p, 25850c 24p, 25900c 24p, 25950c 24p, 26000c 24p, 26050c 24p, 26100c 24p, 26150c 24p, 26200c 24p, 26250c 24p, 26300c 24p, 26350c 24p, 26400c 24p, 26450c 24p, 26500c 24p, 26550c 24p, 26600c 24p, 26650c 24p, 26700c 24p, 26750c 24p, 26800c 24p, 26850c 24p, 26900c 24p, 26950c 24p, 27000c 24p, 27050c 24p, 27100c 24p, 27150c 24p, 27200c 24p, 27250c 24p, 27300c 24p, 27350c 24p, 27400c 24p, 27450c 24p, 27500c 24p, 27550c 24p, 27600c 24p, 27650c 24p, 27700c 24p, 27750c 24p, 27800c 24p, 27850c 24p, 27900c 24p, 27950c 24p, 28000c 24p, 28050c 24p, 28100c 24p, 28150c 24p, 28200c 24p, 28250c 24p, 28300c 24p, 28350c 24p, 28400c 24p, 28450c 24p, 28500c 24p, 28550c 24p, 28600c 24p, 28650c 24p, 28700c 24p, 28750c 24p, 28800c 24p, 28850c 24p, 28900c 24p, 28950c 24p, 29000c 24p, 29050c 24p, 29100c 24p, 29150c 24p, 29200c 24p, 29250c 24p, 29300c 24p, 29350c 24p, 29400c 24p, 29450c 24p, 29500c 24p, 29550c 24p, 29600c 24p, 29650c 24p, 29700c 24p, 29750c 24p, 29800c 24p, 29850c 24p, 29900c 24p, 29950c 24p, 30000c 24p, 30050c 24p, 30100c 24p, 30150c 24p, 30200c 24p, 30250c 24p, 30300c 24p, 30350c 24p, 30400c 24p, 30450c 24p, 30500c 24p, 30550c 24p, 30600c 24p, 30650c 24p, 30700c 24p, 30750c 24p, 30800c 24p, 30850c 24p, 30900c 24p, 30950c 24p, 31000c 24p, 31050c 24p, 31100c 24p, 31150c 24p, 31200c 24p, 31250c 24p, 31300c 24p, 31350c 24p, 31400c 24p, 31450c 24p, 31500c 24p, 31550c 24p, 31600c 24p, 31650c 24p, 31700c 24p, 31750c 24p, 31800c 24p, 31850c 24p, 31900c 24p, 31950c 24p, 32000c 24p, 32050c 24p, 32100c 24p, 32150c 24p, 32200c 24p, 32250c 24p, 32300c 24p, 32350c 24p, 32400c 24p, 32450c 24p, 32500c 24p, 32550c 24p, 32600c 24p, 32650c 24p, 32700c 24p, 32750c 24p, 32800c 24p, 32850c 24p, 32900c 24p, 32950c 24p, 33000c 24p, 33050c 24p, 33100c 24p, 33150c 24p, 33200c 24p, 33250c 24p, 33300c 24p, 33350c 24p, 33400c 24p, 33450c 24p, 33500c 24p, 33550c 24p, 33600c 24p, 33650c 24p, 33700c 24p, 33750c 24p, 33800c 24p, 33850c 24p, 33900c 24p, 33950c 24p, 34000c 24p, 34050c 24p, 34100c 24p, 34150c 24p, 34200c 24p, 34250c 24p, 34300c 24p, 34350c 24p, 34400c 24p, 34450c 24p, 34500c 24p, 34550c 24p, 34600c 24p, 34650c 24p, 34700c 24p, 34750c 24p, 34800c 24p, 34850c 24p, 34900c 24p, 34950c 24p, 35000c 24p, 35050c 24p, 35100c 24p, 35150c 24p, 35200c 24p, 35250c 24p, 35300c 24p, 35350c 24p, 35400c 24p, 35450c 24p, 35500c 24p, 35550c 24p, 35600c 24p, 35650c 24p, 35700c 24p, 35750c 24p, 35800c 24p, 35850c 24p, 35900c 24p, 35950c 24p, 36000c 24p, 36050c 24p, 36100c 24p, 36150c 24p, 36200c 24p, 36250c 24p, 36300c 24p, 36350c 24p, 36400c 24p, 36450c 24p, 36500c 24p, 36550c 24p, 36600c 24p, 36650c 24p, 36700c 24p, 36750c 24p, 36800c 24p, 36850c 24p, 36900c 24p, 36950c 24p, 37000c 24p, 37050c 24p, 37100c 24p, 37150c 24p, 37200c 24p, 37250c 24p, 37300c 24p, 37350c 24p, 37400c 24p, 37450c 24p, 37500c 24p, 37550c 24p, 37600c 24p, 37650c 24p, 37700c 24p, 37750c 24p, 37800c 24p, 37850c 24p, 37900c 24p, 37950c 24p, 38000c 24p, 38050c 24p, 38100c 24p, 38150c 24p, 38200c 24p, 38250c 24p, 38300c 24p, 38350c 24p, 38400c 24p, 38450c 24p, 38500c 24p, 38550c 24p, 38600c 24p, 38650c 24p, 38700c 24p, 38750c 24p, 38800c 24p, 38850c 24p, 38900c 24p, 38950c 24p, 39000c 24p, 39050c 24p, 39100c 24p, 39150c 24p, 39200c 24p, 39250c 24p, 39300c 24p, 39350c 24p, 39400c 24p, 39450c 24p, 39500c 24p, 39550c 24p, 39600c 24p, 39650c 24p, 39700c 24p, 39750c 24p, 39800c 24p, 39850c 24p, 39900c 24p, 39950c 24p, 40000c 24p, 40050c 24p, 40100c 24p, 40150c 24p, 40200c 24p, 40250c 24p, 40300c 24p, 40350c 24p, 40400c 24p, 40450c 24p, 40500c 24p, 40550c 24p, 40600c 24p, 40650c 24p, 40700c 24p, 40750c 24p, 40800c 24p, 40850c 24p, 40900c 24p, 40950c 24p, 41000c 24p, 41050c 24p, 41100c 24p, 41150c 24p, 41200c 24p, 41250c 24p, 41300c 24p, 41350c 24p, 41400c 24p, 41450c 24p, 41500c 24p, 41550c 24p, 41600c 24p, 41650c 24p, 41700c 24p, 41750c 24p, 41800c 24p, 41850c 24p, 41900c 24p, 41950c 24p, 42000c 24p, 42050c 24p, 42100c 24p, 42150c 24p, 42200c 24p, 42250c 24p, 42300c 24p, 42350c 2











## OFFSHORE AND OVERSEAS FUNDS

Mgmt. Jersey Ltd.									
St. Helier, Jersey									
Ord.	171,035	1,300	31.1	0.05	77.74				
Prefer.	25,280	2,400	10.4	0.01	39.71				
Paid.	32,528	2,400	10.4	0.01	39.71				
Unpaid	1,250	1,250	25.0	0.02	25.00				
Cap.	133.76	1,000	7.5	0.02	7.50				
Shannon									
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				
Cap.	1,000	1,000	10.0	0.01	10.00				
St. Helier, Jersey									
Ord.	1,000	1,000	10.0	0.01	10.00				
Prefer.	1,000	1,000	10.0	0.01	10.00				
Paid.	1,000	1,000	10.0	0.01	10.00				
Unpaid	1,000	1,000	10.0	0.01	10.00				</

...and the  $\beta$  values are

10. *Journal of the American Statistical Association*, 93, 1998, 1031-1040.

$$m_{\text{eff}} = \frac{m}{1 + \frac{1}{2} \frac{m}{m_0} \frac{v}{c}} \quad (1)$$

*Journal of Management Studies*, 19(1), 67-80.







### FINANCE, LAND—Continued

[illegible][illegible]

### OPTIONS

#### 3-month Call Rates

### OPTIONS

#### 3-month Call Rates

Lawyer Sidd.	22	Thorn	22	Cons. Gold	20
House of Fraser	12	Trust Houses	15	Rip T. Zinc	16

A selection of Options Traded is given on the London Stock Exchange Report page



## MAN OF THE WEEK

### Securities made more secure

BY MARGARET REID

THE TREASURY'S well-known concept of a generalist equal to any task, though unencumbered by detailed specialist expertise, could not be better illustrated than by Mr. Patrick Neill, the chairman of the City's new self-regulatory body, the Council for the Securities Industry.

Mr. Neill, a 51-year-old QC, is not well known in the City. He will be the referee of disputes and the defender of the "highest ethical standards" in securities trading as head of the Council, which will oversee City markets on a broader, voluntary basis, to combat any scandals. He is the first to admit to having no vast experience of financial affairs and he is not a director of any company.

Yet he has already gained a distinguished reputation in several other fields. In the law, where he has been chairman of the Bar Council, he has made a sufficient name for himself in



Mr. Patrick Neill  
Defender of standards

the commercial area to have had, in all probability, the opportunity of a senior post on the Bench, but he wanted to be a judge. But his career was clearly set in another direction when, last year, he was elected Warden of that institution of top brains, All Souls College, Oxford.

Heading the new Council for the Securities Industry, which will be widely representative of City bodies, will not be his only new quasi-judicial task in presiding over a regulatory body. For later this year he is to take over as chairman of the Press Council from Lord Shawcross, the former Attorney General who, as chairman of the City Take-over Panel throughout its nine-year life, has pioneered a venture in voluntary City supervision which is now to be linked with the new Council.

It is probably no coincidence that Mr. Neill will preside over the same two kinds of self-regulatory type of body as have hitherto been headed by Lord Shawcross, who will continue to run the Panel and will have a seat on the new Council. The two men are old friends and fellow benchers of Gray's Inn.

Does Mr. Neill, who has no political allegiance, hope to conduct the new Council in a way that will fend off the widely-discussed boggy of a legally-based regulatory authority like the U.S. Securities and Exchange Commission? "It's obviously desirable that these sorts of functions should be performed by self-regulatory methods," he said yesterday. "Generally speaking, there is far too much State intervention."

Mr. Neill, six foot-plus with a young-looking face under grey hair, is in the line of the reasoning rather than the hectoring advocate. He sees a significant difference of emphasis between the respective scopes of functions which the Council for the Securities Industry and the Press Council will have. The City body will be distinctly more than quasi-judicial in that one of its most important tasks will be to formulate rules and codes of good conduct in new areas, outside bids which are covered by the Take-over Code.

Those trying to assess the new Council's chief at present seem as the unknown City referee, much as Mr. Gordon Richardson, the Governor of the Bank of England, who has had such a key role in his appointment, was once tagged the unknown Governor—could do worse than consider him in his academic context.

It was argued by his supporters in last year's election contest for the All Souls Wardenship that Mr. Neill, with his lawyer's knowledge of the world, would somewhat shift the tone of All Souls from the narrowly academic to some greater involvement in public affairs. Yet he was seen as distinctly less radical than one rival, Professor Bernard Williams, former husband of the Education Secretary, Mr. Shirley Williams, of whom it was even suggested that he was so forward-looking that women members might be admitted to the College.

It was never more true of any chief than it is of the holder of the chairmanship of the new Council that only tenure of the top job will reveal the man. But time will be needed before the City—and Westminster—can assess the success of the novel Council and its newly appointed head.

## New rules increase IMF chief's power

BY JUREK MARTIN, U.S. EDITOR

A NEW regime for the international monetary system will finally take effect to-morrow with adoption of the second amendment to the articles of agreement of the International Monetary Fund.

The main points of the amendment were agreed on two years ago, but it took until yesterday to obtain the approval of member governments with 80 per cent. of the weighted vote power in the IMF.

The second amendment greatly increases the power of the managing director of the IMF to supervise national exchange rate policies. It abolishes the official price of gold and enables governments to buy and sell the metal freely. It also makes possible much wider use of the Special Drawing Right as a unit of account and international reserve asset.

The IMF has announced a change in the basket of currencies, comprising the SDR—with the Saudi and Iranian riyals replacing the Danish kroner and the South African rand.

Acceptance of the second amendment clears the way for the IMF's sixth quota increase, enlarging its resources by nearly 10bn. SDRs to 39bn. SDRs. Member Governments approved the quota increase, on condition that the second amendment was passed.

The changes were set in train when President Nixon uncoupled the dollar and gold in August, 1971.

Potentially the most important change is the enhanced role of the IMF managing director in overseeing exchange rate policies.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

IMF officials doubted that the relaxation of restrictions on gold trading between central banks above the old official price of \$35 (about \$43) an ounce would prompt a surge in such business.

Nations have been entitled to sell gold from their stock to the public at above the official price, as the U.S. has done. The U.S. is considering using its gold to help restore stability to the foreign exchange markets. The new IMF regime would at least increase its freedom of manoeuvre.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

WASHINGTON, March 31.

IMF officials doubted that the relaxation of restrictions on gold trading between central banks above the old official price of \$35 (about \$43) an ounce would prompt a surge in such business.

Nations have been entitled to sell gold from their stock to the public at above the official price, as the U.S. has done. The U.S. is considering using its gold to help restore stability to the foreign exchange markets. The new IMF regime would at least increase its freedom of manoeuvre.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

Wider use of the SDRs by governments, their agencies or international organisations such as the World Bank and the regional development institutions will be possible. But the supply of SDRs is limited—9,400, outstanding at present—and a new distribution of SDRs, which would greatly increase international liquidity, would have to go through the usual processes and would need the approval of a high percentage of the IMF's membership.

The new rules permit the IMF to establish an investment account to realise income from the proceeds of its gold sales or other holdings, which at present are held in non-interest bearing accounts.

## TUC bid to end Fleet Street dispute

By Pauline Clark, Labour Staff

MR. LEN MURRAY, TUC general secretary, yesterday called all sides in the Fleet Street distributors' dispute to Congress House for separate talks.

Mr. Bill Keys, general secretary of the Society of Graphical and Allied Trades—whose members are refusing to handle London editions of the national newspapers in support of a demand for higher overtime payments from wholesale—few from Scotland to join chapel and branch officials at the TUC.

The Federation of London Wholesale Distributors also agreed to meet Mr. Murray and representatives of the News Paper Proprietors' Association, were also available.

But it seems unlikely that London circulation will be restored over the week-end.

Any proposals which emerge will have to be put to both Sogat and Federation members before they can be implemented.

The Federation yesterday made formal representations to Mr. Albert Booth Employment Secretary, for Government intervention. Department officials said Mr. Booth believed that it would be inappropriate for him to intervene at this stage.

Mr. Booth has so far refused arbitration on the grounds that normal negotiating procedures have not been concluded.

The union has complained that the NPA has been unwilling to enter into talks with it. The NPA argues that since the wholesalers employ the Sogat members, it is not an NPA dispute.

Both the NPA and the wholesalers argue that the union demands cannot be met within the Government's pay guidelines.

Meanwhile, no solution had emerged yesterday to the engineers' dispute which has prevented publication of The Times for a week.

Times Newspapers said last night that protective dismissal notices would be issued to all staff—including executive directors—if production were not resumed by Monday.

The Guardian, whose London editions are also affected, is printing between 60,000 and 100,000 extra copies in Manchester with the co-operation of its printers there.

Max Wilkinson writes: The Times has made a profit for the first time for more than a decade. Its profit for 1977 was £23,000, compared with a loss of about £900,000 the previous year.

The figures are a turning point in the long slow recovery since the early 1970s, when The Times was making an annual loss of up to £3m.

Losses so far have been borne by the Thomson family.

Company News, Page 16

## U.K. to burn pesticide waste from U.S.

By Lynton McLain, Industrial Staff

BRITAIN HAS been chosen by the seventh largest U.S. chemical company as the best place to burn 4,400 gallons of toxic pesticide waste.

Three years ago, the company, Allied Chemical Corporation, was sued with Hooker Chemicals and Plastics Corporation, in a claim for \$108.9m. damages for alleged failure to warn former employees of the dangers of the product. The action was subsequently settled out of court for an undisclosed sum.

The company has asked the U.S. Environmental Protection Agency for permission to release eighty 55-gallon drums of kepone and cockroach poison for trial incineration in Britain.

The work will be done by ReChem International, a member of the British Electric Traction Group, with plants at Southampton, Pontypool, in Wales, and at Roughton, Shropshire.

Allied said last night that the market for kepone still existed, but it had no intention of devoting a large proportion of its resources to the product any longer. "We do not think it a good business to be in," the company said.

But it has been left with undisclosed quantities of kepone and has tried successfully a small-scale test burn in the U.S.

Allied now felt it had found in ReChem, the most feasible and economic way of disposing of large quantities of kepone. The Department of the Environment said it could see no reason why ReChem could not dispose of the material adequately.

## THE LEX COLUMN

### Market unsettled by sterling

Sterling is once again the bogeyman in the financial markets. For most of the past couple of months the decline of the dollar has partly disguised the parallel weakness of sterling which on a trade-weighted basis has fallen by seven per cent. since the end of January. However, last week the financial markets finally began to decide that all was not well.

The gilt-edged market, especially at the longer end, is starting to worry about the inflationary implications of the fall in the exchange rate since according to the monetarist's rule of thumb a one per cent fall in the exchange rate does not take too long to add roughly one per cent to retail prices. Meanwhile, the money markets have become increasingly nervous on the interest front. Yesterday's Treasury bill tender came perilously close to triggering a rise in MLR and the low level of applications was far from encouraging.

Yet it is hard to imagine that the authorities will allow MLR to go up next week just ahead of a giveaway Budget for that would expose far too dramatically the potential conflict between fiscal and monetary policies. Tuesday's banking figures, incorporating eligible liabilities for the March banking month had better be good, however. For if they indicate further rapid monetary growth it will be hard for the authorities to keep the lid on the kettle.

The idea behind Town and City's 8/14 per cent. Convertible, the first tranche of which was issued in 1974, was that by 1978—when the higher coupon becomes payable—the company would be in a better position to pay up. Some hopes, for the group suffered pre-tax losses of almost £11m. in the first half of the year just ended; hence the decision to persuade the Prudential and Barclays, holders of £26m. out of the £43m. Convertible issue, to switch into Convertible Preference on which no dividend will be paid before 1982.

The sweeter amounts to a potential 17 per cent. eventual equity dilution. Meanwhile much of the group's bank debt has been restructured into two Barclays loans—£50m. due in 1983, £44m. due in 1981. Interest charges on this debt will not immediately reflect fully any sharp rise in money rates a feature also designed to provide some protection for the profit and loss account. But here again there will presumably be a

penalty to be paid later on. Apparently T and C's second half figures will show a substantial improvement on the first six months, and the package could save around £4m. of interest outgoings in 1978-79. But it is still by no means clear when the group will achieve a major breakthrough into the black, and the shares eased up to 13p yesterday, for an equity capitalisation of £33m.

Another salvo was fired yesterday by Northern Foods in its protracted battle for brewer James Shipston—the group has produced estimated profit figures for its half-year just ended. Not surprisingly, the news is good. Pre-tax profits, after a boost from the early receipt of the milk margin award, have risen by over a half to £13.75m., on turnover of £135m., compared with £11.0m. Stripping out the margin award of £1.4m. to make the figures more comparable the rise is trimmed to a third.

The hire-purchase interests continue to make headway with profits still benefiting from low interest rates, while Fox's biscuits, has made a good first contribution. Brewing has been held back by a six-week go-slow during October and November followed by weak sales after Christmas. Meanwhile, however, manufactured milk powder has been selling well.

For the second half the group can look forward to a better brewing performance as well as a price rise for the milling activities. So analysts are now looking for £24m. pre-tax for the year. At 85p (up 3p), the shares stand on a prospective p/e of over 8, but with the possibility of a 40 per cent. dividend increase, depending on government policy, the shares could hold on to a premium rating.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake) is held by the Harisons and Crossfield camp, blocking an offer which looks attractive to outsiders.

McLeod-Steele has raised the cash offer for London Sumatra from 110p to 150p, a share in response to the recent defence document which claimed a total net worth of £270p. London Sumatra has yet to pronounce judgement, but it is hardly likely to be in favour. That could turn the affair into a re-run of the Wigfall struggle, with a large minority (42 per cent. stake)